

P A P E R S

Relative to the

N A B O B S

New Consolidated Debt.

James H. Smith

↙

Specimen no. 168



167 H. 19. (1)

EXTRACT

Of a Letter from the GOVERNOR General and COUNCIL of Bengal, to the GOVERNOR and COUNCIL of MADRAS Dated 7th. April 1777.

IT appears from the General tenor, as well as particular Passages of the Nabobs letters, that he is greatly indebted to British Subjects, in the Service of the Company, or residing at *Madras*, under their Protection, We have strong grounds to conclude that he may have granted to these Creditors Tunkas or Assignments of the Revenues of the Carnatick, in the same manner as he had formerly mortgaged the collections of Tanjore. We cannot avoid expressing our disapprobation of this Act, if it has really taken place, because it must evidently tend to lessen the Power of the Carnatick, by depriving it of it's resources and thereby expose it, to the danger of Foreign Invasions; in this case therefore, we recommend to you, to require in form of the Nabob, that he resume all such grants, that he deliver to you an Account of his debts contracted with the Subjects of Great Britain, and suspend the Liquidation of them, untill he shall have fully discharged those due to the Company, or until you may be furnished with Instructions from the *Court of Directors*, respecting the demands of private Creditors, as it is probable, that such instructions may speedily be received, in Answer to the reference which you made to them, on this Subject, in the courie of the last Year.

EXTRACT

Of a Letter from his Highness the N A B O B to GOVERNOR WHITEHILL Dated 27th. December 1777.

HAVING given the most serious attention, to the Letter, from the Governor General and Council to your Board, of the 7th. April last, and to the Extract of the one from the *Court of Directors* of the 11th. June, I proposed such an arrangement to my Creditors, as would ensure payment to them, by degrees. It will doubtless afford you much satisfaction, to be informed, that all the principal Creditors, readily agreed to, and Signed the Articles of Agreement

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Agreement, I doubt not but the others will accede also; agreeable to the recommendations in the two abovementioned Letters, from my friends, I have withdrawn all the Tunkas, and assignments, I had granted on my revenue, in the Country, and being well persuaded, of the Salutariness, of this measure, I am resolved not to grant any such again.

The debt consolidated in 1767 remains on the same footing, as before, propose to divide a Lack of *Pagodas* on that Account, on the 31st of the month, and I shall use my best endeavours to discharge the whole very soon. If the Interest on the old debt is only 10 *per Cent per Annum*, and that allowed to the new Creditors is 12, it may be proper that I should explain, why I have made this distinction; 12 *per Cent*, is now the Interest allowed by your Law, whereas when the former debt was consolidated your customary interest was only eight, agreeable to the Company's desire, I gave ten to my old Creditors. I understand that *Europeans* at that time never paid more, than eight, but as I was told, that since the late Act of Parliament, they generally pay ten *per Cent*, and even 12 to each other, I thought I could not in Justice propose less.

EXTRACT

*Of a Letter from his Highness the NABOB to the
GOVERNOR General of Bengal, Dated 27th
December 1777.*

I GAVE the most serious consideration, to your Letter to the Governor and Council here of the 7th. April last, from whom I received a Copy of it, since then, they have sent me, an Extract of one from the Court of Directors of the 11th. June, also recommending to me, as you do, to withdraw all assignments or mortgages of my revenue, or Country; I have now the pleasure to inform you, Sir, that I have complied with these recommendations, and have accordingly made, an arrangement with my Creditors, and they seem persuaded of my good intentions. The withdrawing of the Tunkas and assignments, will contribute to the good Government of my Country, and I am determined on that Account whatever to grant any of these again, I now transmit you a Copy of the Articles, on which this Settlement with my Creditors is founded, and of which several of them, have already approved and signed, and which I hope will be agreeable to you.

CERTIFIED

CERTIFIED that having seen and approved the Contents of this Paper, I Sign and SEAL it with the SEAL of my Government.

His HIGHNES's is pleased to appoint Mr. JAMES WOOLEY and Mr. JOHN DE FRIES his Agents in this Business and Trustees on his Part.

At a Meeting at CHEPAUK Present, his Excellency Ameer Ul Umrah Bahauder, and Coja Assum Cawa Bahauder, Dewan to his Highness the N A B O B, appointed by his Highness the NABOB to Confer with his Creditors, of whom were Present.

Mess^{rs}. DAWSONNE DRAKE
QUINTIN CRAUFURD
JAMES TAYLOR
JOHN DE FRIES
ANTONIO DE SOUZA.

THE FOLLOWING ARTICLES were proposed and Unanimously agreed to, as Preliminaries for consolidating, and Arranging all *His Highness's* Debt except the debt consolidated in the Year 1767, bearing Interest at the rate of 10 *per Cent per Annum*.

THAT this arrangement shall be Communicated to the East India Company's thro' their representatives, the *Governor General and Council at Fort Williams*, and the *President and Council of Fort St. George*, and be carried into execution under the Company's Auspices.

That the Account of these Debts shall be made up and adjusted, at *His Highness's* Durbar, to the 25th. *November* last 1777, and a Bond shall be given to each person respectively for his debt, bearing Interest at 12 *per Cent per Annum*.

That four Persons shall be appointed Trustees for the care and Management of the debt in General, comprehending Accounts and all other Matters; Two
A ij of which

of which to be appointed by the NABOB, and two to be chosen, by the Creditors, but as these Trustees will have occasion to have frequent Intercourse with *His Highness*, his Ministers and Servants, respecting the Affairs entrusted to their management it is supposed and understood, that the two to be chosen by the Creditors will be such Persons, as will not be, in any way disagreeable to *His Highness*.

That the four Trustees shall be allowed by the Creditors half *per Cent*, on all such money as may be divided by them, and a like Allowance by the NABOB.

THAT the NABOB shall Specify or mention the Country or Countries from whence the money is to be received for the payment of this debt, and in case the money received from those Countries, should fall short of the payments hereafter proposed, that the said payments shall be in such case, compleated and made good, from the other part of the CARNATICK.

THAT the said money shall be delivered into the hands of the Trustees immediately as it may be received from the Country, who shall grant receipts for the same to *His Highness*, Signed by three of them at least.

THAT the Dividends of the said money shall be made to each Creditor in exact proportion to the Sum that may be owing to him, every three or four Months at farthest.

THAT during the first twelve Months reckoning from the 25th November 1777, the NABOB shall pay from the Carnatick (exclusive of the Province of *Tanjore*) a Sum equal to the full Interest on the whole debt for one Year.

THAT ever after, until the whole Principal and Interest be discharged, he will pay from the Carnatick yearly (exclusive of the Province of *Tanjore*) the full Interest and two Lacks & a half of Star Pagodas, on Account of the Principal.

AND above and besides the provisions made for the payment of this Debt, from those parts of the Carnatick now in *His Highness's* Possession, *His Highness* engages and agrees to give up for the further payment of the said debt, whatever money may be received by him from the Province of *Tanjore*, under whatever denomination, until the whole shall be discharged, Vizt. one moiety of such money to be given to *Messrs. Taylor, Majendie, Call &c.* in discharge of their proportion (but which they are to give credit for in the general Account) and the other moiety to be divided amongst the Creditors in General, according to their respective Shares, but when the debt to *Messrs. Taylor, Majendie and Call* shall be paid, then the whole money that may be received from *Tanjore*, shall go to the other Creditors until the debt to them be fully discharged also.

THAT *His Highness* shall not directly or indirectly hereafter, give to any person whatsoever European or Native of India higher rate of Interest, Præmium or reward for money borrowed by him or on his Account, than 12 *per Cent per Annum* and that *His Highness* shall issue orders to all his Amildars, Renters &c.

strictly

strictly to observe the same, that all the Creditors on receiving new Bonds, shall deliver back to *His Highness*, the former Bonds, together with all such Tunkas, or other Papers, as may have been granted to them by *His Highness*.

CHEPAUK December 17th. 1777.

TRANSLATION of a Paper under Signature and Chop of His Highness the NABOB of the Carnatick addressed to Messrs. James Wooley and John de Fries, and dated 5th. Zeebadge 1191 Hegira or 5th. January 1778.

A GREEABLE to my former agreement, for discharging the Interest due to my Creditors, from the 25th. November 1777 to the 24th. November 1778, I have determined to apply to that purpose, the Revenues of the *Pulnaur, Ongole, Nellore and Servapallee Countries*, and the *Peeshcash of Vengatagerry*, as also one Lack and fifty Thousand Pagodas from the *Arcot Country* amounting to about Seven Lacks of Pagodas, which you *James Wooley and John De Fries*, in conjunction with the Trustees on the part of the Creditors are to pay to, and divide amongst the Creditors (according to my agreement) as far as the Interest. The next Year there shall be paid, besides the Interest, Two Lacks and fifty Thousand Star Pagodas, on account of the Principal, from the Revenues of these very Countries, and if there should be any deficiency the same shall be paid from other parts of the Carnatick. The same Sum shall be paid every year 'till the debt be discharged.

As soon as there is money enough in the hands of the Trustees to make a Dividend of one *per Cent*. The Interest on the same shall cease.

You are to explain this to the Creditors.

To *Messrs. James Wooley and John de Fries*, Trustees on the part of my Circar, and To *Messrs. James Taylor and George Moubray*, Trustees on the part of the Creditors,

The following payments will be made by me to the Creditors on account of the consolidated debt's Interest-said debt consolidated 25th. November 1777.

1778.	February	25th.	60,000
	May	25th.	180,000
	August	25th.	180,000
	November	25th.	180,000
			<hr/> 600,000

If the Interest on the said debt should be more, *His Highness* will add the amount to the last Kist. If less, he will deduct it from the last Kist.

If from any particular and unforeseen cause there should be any deficiency in any of the Kists, *His Highness* promises that the said deficiency shall be fully made up in the last Kist.

Given at Chepauk 26th. January 1778.

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*The NABOBS proposals to his New consolidated Creditors
the 25th. November 1778.*

THE Pledge of Jewels to be kept in the White Town in a proper Cash Chest, in the house occupied by General Munro under Charge of the four Trustees; Dividends to be made at Chepauk House.

THE NABOB offers to deliver immediately Jewels to the value of two Lacks of *Pagodas*, at a proper appraisement, and to deliver in a month from this date, a Teep for Forty Thousand *Pagodas* payable in two Months after.

THE Jewels to be redeemed in three Months, from the 25th. November and in case of failure to allow one Month more, but should the money not be paid in four Months, at farthest, the Jewels are absolutely to be sold for the purpose of raising the money, the Nabobs Trustees becoming answerable to His Highness, that the Jewels shall not be sold before that period.

ON payment of the two Lacks and Forty Thousand *Pagodas*, the Jewels to be returned and given up to the Nabob.

THE above amount of 240,000 *Pagodas*, compleats the payment of this Years Interest on the consolidated Fund, which is closed at 35 Lacks of *Pagodas*.

JAMES WOOLEY.

JOHN DE FRIES.

Trustees for His Highness the Nabob.

LETTER from the Creditors to the HONOURABLE THOMAS RUMBOLD President and Governor &c. Members of the Select Committee of FORT ST. GEORGE Dated 11th. March 1779.

WE the Creditors of the NABOB of Arcot whose demands were liquidated by public Agreement with His Highness in November 1777: humbly beg leave to lay before your Honourable Board the circumstances of our distressed situation, in full confidence of receiving from your favor, that support which the nature of our embarassment requires, and which we hope will be thought due to the Cause of so many British Subjects, living under the Company's protection.

By the several papers which we have the honor to enclose herewith, it will appear clearly upon what Grounds the NABOB proposed, and entered into the
Arrangement

Arrangements concluded with his Creditors in 1777. The NABOB himself in his Letter to the GOVERNOR upon this Subject dated 27th. *December* 1777. Explains the motives on which he acted in the following words., I having given „ the most serious attention to the Letter from the GOVERNOR *General* and „ *Council of Bengal* to your Board of the 7th. *April* last, and to the Extract of „ the one from the COURT of DIRECTORS of the 11th. *June*. I proposed such „ an Arrangement to my Creditors as would ensure payment to them by „ Degrees., and shortly after he adds agreeable to the recommendation in the „ two abovementioned letters from my friends, I have withdrawn all the „ Tunkas and assignments I had granted on my Revenue and Country.

Thus it appears by the NABOBs own shewing, that the proposition for an Arrangement with his Creditors came voluntarily, and unsolicited, from himself, that it was founded on what he conceived to be the wish of the *Honourable* COURT of DIRECTORS, and of the GOVERNOR *General* and COUNCIL of *Bengal*, and that he was enabled by this Arrangement to call in all the Tunkas and assignments granted on the Carnatick, a measure which was recommended to him in the strongest terms and which could have been accomplished in no other way.

With respect to the written agreement formally entered into by the NABOB on this occasion, We humbly conceive, that the terms therein proposed for paying the principal and Interest of his debts, were as favorable to *His Highness*, as he could have wished, they were indeed quite voluntary offers on the part of the NABOB, calculated on a deliberate Review of the means and resources which he possessed, after providing for the Company's demands and setting a part sufficient funds for the necessary expences of his own Government, and Household. The Creditors themselves exacted no conditions from the NABOB and having in a manner left the arrangement intirely to himself, they rested in the full security that it would be punctually observed, but unfortunately for them their hopes were soon disappointed, and the following is clearly the state of their concern, since the arrangement took place.

The NABOB agreed to pay in the first year to his Creditors the full Interest on their several Bonds, being 12 *per Cent*, but he has in fact discharged only 5 *per Cent*, and there now remains 7 *per Cent* to be paid of the Interest of last year, he has made no provision whatever, for the Interest of this year, or for discharging that part of the Principal which he has engaged to pay. And has even refused to deliver the Jewels which he offered as security for the remainder of last years Interest.

These Capital failures, on the part of the NABOB have thrown his Creditors in general, into the greatest distress, and some of them have actually been so far reduced as to want even the means of subsistence. The NABOB however having repeatedly declared, that the cause of his backwardness proceeded from the necessity he was under, of paying large Sums of Money to the Company, for

the exigencies of the public Service, We waited patiently and silently, under our distress, trusting that the day of relief could not be far distant, but when We found that the NABOB instead of paying any thing extraordinary to the Company, had been deficient in the discharge of his ordinary engagements, We could no longer conceal our sufferings, and We hesitated not in the resolution of applying publicly thro' the regular channel of your Board for redress.

It is well known to your honor &c. that the debt We claim of the NABOB includes the greatest part of the property of the British Subjects and Natives within the Colony, and that the conduct of *His Highness* in withholding his payment from us, has produced almost an universal Bankruptcy, and a total stop to the circulation of money, two of the most alarming evils that can befall any State. When these things are attentively considered, and when it is considered also, that a great part of the money taken up by the NABOB from Individuals and for which they had assignments on the Carnatick has been paid into the Company's Treasury, in discharge of his engagements to them at different periods, We flatter ourselves that the request We now make for your assistance, and good offices with the NABOB, and for your favorable representation of our case, to the *Honourable* COURT of DIRECTORS and to the GOVERNOR *General* and COUNCIL of Bengal, will be received as we could wish. We are far from presuming to place our demands, on an equality with those of the Company, It is our wish and desire that they should always have that preference, which is due to their Superior claims, but when there is apparently an ample resource for doing justice both to the Company, and to the private Creditors, it seems unreasonable, that the latter should be totally excluded; in the present situation of Affairs We are willing for the sake of the public service, to forego as much of our claims on the NABOB, as We possibly can, but the regular payment of the Interest on our several Bonds is absolutely requisite for our support, and We make it our particular request therefore, that your honor &c. will be pleased to use your good offices with the NABOB, that We may receive what is due on this account & be punctually paid in future according to the Kists settled by *His Highness*. The amount of the debt consolidated as abovementioned in 1777. will not exceed 35 Lacks of *Pagodas* (instead of the enormous Sum which was at one time supposed) as your honor &c. will perceive by the accompanying declaration of the NABOB thro' his Trustees in *November* last & Bonds for 34 Lacks and upwards have actually been issued, such being the case We conceive it cannot in any shape bear hard upon him to pay the Interest.

We shall detain your honor &c. no longer than to mention one circumstance more relative to the NABOB's debt which seems to require explanation. In the agreement signed by the NABOB, there appears a stipulation in favor of *Messrs. Taylor, Majendie, Savage, and Call* which is not accounted for. The reason of that distinction was that those Gentlemen did at the earnest solicitation of *His Highness* (to enable him to make a general arrangement of his Affairs) actually relinquish the exclusive assignment of the *Arcot Country*, a great part of the

the Revenues of the *Nellore* and other Countries and five sixth Parts of the Moneys that might be received from *Tanjore* and were on that account thought both by the NABOB and by the Creditors in general, entitled to a particular stipulation in their favor We have the Honor to be &c.

SIGNED Dawsonne DRAKE

James CALL.

Alex^r. JAMESON.

Quint. CRAUFURD.

James JOHNSON.

Andw. MAJENDIE.

Tho^s. PELLING.

John DE FRIES.

Edw. John HOLLOND

Gilbt. PASLEY.

John SPRATT.

Sam^l. TROUTBACK.

James TAYLOR.

Ant^o. DE SOUZA.

MOSES DE CASTRO.

Geo. MOUBRAY.

Hall PLUMER Atty. to Lt. Col. }
Ross, and in Trust. }

John SNOW in Trust.

C. E. JONES for himself and in Trust.

Geo. MAULE in Trust.

Chas. BROMLEY, for himself and as }
Trustee & Atty. to several Persons. }

Thos. LEWIN Atty. to Geo. MACKAY.

James TAYLOR Executor to Reynold }
ADAMS. }

James CALL Atty. to Geo. SAVAGE.

Alex^r. CUTHBERT Atty. to Henry }
MOORE. of Bombay. }A. BRODIE Atty. to Maj^r. GILLES

A. BRODIE Atty. to Fr. BALFOUR.

A. BRODIE Atty. to Lieut^t. Col. }
George BROWN. }

Geo. MOUBRAY Atty. to R. J. SULLIVAN

John DOUGLAS Atty. to Capt. Rich^d. }
PARKS. }

W. A. DOBBIN in Trust and as Atty.

Alex^r. CUTHBERT Atty. to the }
Honorable EDWD. MONCKTON. }Alex^r. CUTHBERT Atty. to Lt. Col. }
Ab. BONJOUR. }

*EXTRACT from the general Letter, from the
Select Committee to the HONBLE. the COURT
of DIRECTORS, Dated 13th. March 1779.*

WE transmit a Number in the Packet a Copy of a Letter which has been addressed to us by the NABOBs Creditors, whose demands were liquidated in November 1777, together with sundry Extracts and papers shewing the Grounds of that liquidation and the particular agreements entered into by the *Nabob* for

for the payment of the Principal and Interest of his debt. Those Creditors; have in their said letter, explained fully the distressed situation in which they are involved by the *Nabob's* failure in the Engagements concluded between them and have earnestly solicited our support with you and with the *Nabob* to procure them relief.

In our letter of the 14th. *March* last, We mentioned the subject of this new Debt and estimated the amount of it by the information, We had then obtained at the enormous Sums of 63 Lacks of *Pagodas*. But as it now appears that the debt as closed by the *Nabob*, and certified under the hands of his Trustees amounts to no more than 35 Lacks of *Pagodas*, and that Bonds for 34 Lacks only have yet been granted, our opinion respecting it hath very much changed and We are led to believe, that the case of the several Persons whose property is concerned on this occasion, is really such as to merit your consideration and support.

There can indeed be no doubt that the debt We now speak of includes a very considerable share of the property belonging to the individuals of the settlement, besides the fortunes of several British Subjects in the other settlements of India and in *England*. The *Nabob* has been taking up money for many years past, wherever he could obtain it, and instead of depending on the resources of his Country in the first instance, to discharge his public engagements, he has used the money borrowed from Individuals, for that purpose, and mortgaged the resources of the Carnatick to satisfy his debts to them, by this means at the time he came to an agreement with his Creditors, in 1777: he had mortgaged the most considerable, and the most valuable parts of his Country, and the agreement he entered into certainly enabled him to recall all the assignments he had given to his Creditors, and by freeing the Carnatick from that burthen, placed his affairs in a condition to answer his debts, and engagements to the Company, which it would have been otherwise extremely difficult, if not impossible for him to have done.

These circumstances added to the alarming state of Bankruptcy, and distress in which we see the settlement actually involved, on account of this debt, have induced us to take up the cause of the Creditors, and particularly, as there has not to our knowledge been a single information or complaint made either by the *Nabob*, or any other person against any of the claims that have been preferred, altho in consequence of your orders of the 11th *June* & 4th. *July* 1777, on the subject of enquiries, We opened the Door to every sort of information that could be thought likely to affect the debt.

As We think the *Nabob* may well afford to pay the Interest due and to become due on the claims of his private Creditors without breaking thro his engagements to the Company, or withholding the payment of his old debt, We shall use our earnest endeavours with him to that purpose, and in the mean time We think

think it our Duty on the principles of Justice and humanity, to recommend the case of these Creditors to your favorable consideration.

Besides the consolidated debt of 35 Lacks which we have mentioned We think it probable the *Nabob* may owe to individuals about 10 or 12 Lacks more, including the money due to *Messrs. Taylor, Majendie and Call* on account of the Cavalry loan, and this additional sum We believe takes in the whole of the *Nabobs* Debts.

It may be proper before we close this subject to mention the apparent reason why no Accounts of the Mortgages or Assignments granted by the *Nabob* on different parts of the Carnatick, were delivered into us, in consequence of your orders of the 11th. *June 1777* : at the time those orders were published (on the 29. *November* in that year) We find that the Creditors were treating with the *Nabob* on the liquidation of their respective claims, and by the agreement concluded shortly afterwards it appears that all the Mortgages and Assignments were delivered up to *His Highness*.

Thom^s. RUMBOLD

Eyre COOTE

John WHITEHILL

Hector MUNRO

Chas^s. SMITH.

LETTER from the Creditors to the Honourable THOMAS RUMBOLD Esq^r. President and Governor &c. Members of the Select Committee of FORT ST. GEORGE Dated 20th. May 1779.

THE Secretary having furnished Us with an *Extract* from your letter to the Court of Directors dated 13th. *March*, We, the principal Creditors of *His Highness* the *Nabob*, desire to express our grateful acknowledgements to you, for the manner in which you have been pleased to recommend our case to the Company, and to promise your support with the *Nabob* for the regular payment of the Interest on our several demands.

The *Nabob* as you were advised in a Letter from the Creditors of 11th. *March*, had failed materially in his engagements for discharging the Interest of last year, We are sorry to observe, that he has yet apparently taken no step for clearing that amount, and We have too just reason to fear, that further delay's may happen, unless your honor &c. shall be pleased to interpose your good Offices speedily and effectually in our behalf.

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Besides the arrears of Interest due for last year (ending the 25th. *November*) there are now six months of the present year expired and no provision yet made for discharging any part of the growing Interest, altho the *Nabob* promised in this year, to pay the full Interest, with two Lacks and a half of the Principal of his debt.

Under these Circumstances, We are compelled to have recourse to your immediate assistance, and we request that your honor &c. will obtain for us the discharge of what is due, and place the payment of the Interest for this year on such a footing, as may secure us from disappointments. It is our earnest wish to accomodate our claims on the *Nabob* as much as possible to the convenience of the Companies affairs, and upon this principle, should the exigency of their affairs require it, we will cheartfully consent to lend the whole or any part of what we may receive to the Company on the usual terms.

The *Nabob* having promised to pay to us all such Sums of Money as might come to him from *Tanjore*, and understanding that there are considerable arrears of *Peshcassi* due from the *Rajah* to the *Nabob*, We humbly requests, that your honor &c. will interest yourselves in our behalf, so far as you shall deem expedient, to secure to us the full benefit of this part of the *Nabobs* engagements.

Yours &c.

*EXTRACT from a Letter from the GOVERNOR to the
NABOB Dated 4th. June 1779.*

I have the honor to enclose your *Highness* a Letter addressed to the *Select Committee* by your new Creditors informing them of your *Highness's* engagements, and requesting their good Offices to obtain from you, what is due and may be further due on account of Interest.

The distress in which I see many individuals involved by their claims on our *Highness*, and the effect which this distress has even on the affairs of the Company plead strongly in favor of the request I now make, which is, that your *Highness* would establish some certain provision for the payment of your Creditors, as far as you can consistently with the demands of the Company for the Public service.

EXTRACT

*EXTRACT from a Letter from the NABOB to the
GOVERNOR, Dated 27th. June. 1779.*

WHEN my Friends gave me their assistance in taking possession of the Country of *Tanjore* which is my right, the expences I incurred were so heavy, I became deeply indebted to severals, and from the time that Country was taken from me, I have been involved in hardships and difficulties. My Creditors have not received, what was due to them from that Country, and they raised complaints against me. I still entertain hopes that the Company will restore me my right, and have given every assistance in my Power for the good of the Companies affairs towards the reduction of *PONDICHERY*, I have therefore not been able to pay the Interest due to the new Creditors, with which interest they would have been satisfied. You *SIR*, know the friendship I have for the Company, and it was necessary for me to lessen any other charges I have now settled to pay during the course of the year of *Pbazely* 1189. to my new Creditors one years Interest from the 1st. of *August* 1779. to the end of *July* 1780, and in order to discharge this (and one Lack of *Pagodas* of the Principal, and Interest due to the old Creditors) I have set a part the collection of *Nellore*, *Ongole* and *Pulnaur* districts, for the year of *Pbazely* 1189, I make no doubt that if the Country is in peace, no difference will happen in discharging the money agreeable to the enclosed accounts of *Kists* (It is ever my wish to do justice to my Creditors and as you are my friend I thought proper to acquaint you of my intentions.

What shall I say more

*KISTS BUNDY to the new Creditors agreeable to the English
consolidated Bond from 1st. of August 1779. to 31st. of July 1780.*

*THE Sum of Pagodas 410,160, will be paid by the following Kists
on the 30 of November 1779. - - - - 34180*

30	December	-	-	-	-	34180
31	January	-	-	-	-	34180
28	February	-	-	-	-	34180
31	March	-	-	-	-	34180
30	April	-	-	-	-	34180
31	May	-	-	-	-	68360
30	June	-	-	-	-	68360
31	July	-	-	-	-	68360

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*EXTRACT of a Letter from the GOVERNOR to the
NABOB Dated 25th. July. 1779.*

WITH respect to your new Creditors, who are also for the most part British Subjects living under the Company's protection, the strong applications which they have made, for the support of this Government and the distress in which they are actually involved, together with all the Merchants and traders in the settlement, who are connected with them, call's for our Interference as amatter of Public concern. It is certain this new debt has not been liquidated under the sanction of this Government, nor am I for want of information qualified to judge of the nature and progress of it, but your *Higness* having acknowledged the justness of the several claims by public Instruments, and by regular and formal Interest Bonds granted to the Creditors, under the *Seal* of your *Higness*, I cannot in equity refuse the assistance of my best endeavours to secure to these Creditors, at least the Interest on their Bonds; what your *Higness* has stipulated to be paid them between this time, and the end of *July* next year, tho' considerably short of the Interest that will be then due, might yet be acceptable to the Creditors, could they be assured that the money would be regularly forthcoming, but the fears which have been expressed to me by some of the Principal Creditors, on this head clearly shew the general state of anxiety and doubt, which prevails throughout the whole Body, and nothing seems to have contributed so much to create this alarm, as the late periods fixt by your *Higness*, for the payment of the Kists. The manner in which your *Higness* has pledged yourself to me, for the performance of what you have promised both to the old and new Creditors, is such, that I cannot doubt myself of your firm intention to fulfill your engagements, but as it would afford the greatest relief to the minds of your Creditors were they to receive their first dividends at an earlier period, than that you have proposed, I hope and request your *Higness* will satisfy both the old and new Creditors in this particular, to the utmost of your ability.

From the NABOB, to the GOVERNOR Dated 20th. November 1779.

THE Expences, which I incurred in reducing *Tanjore*, discharging the debts contracted by Tulja Gee, and the arrears of pay due to his Troops, paying the Prize Money, and redeeming with a large Sum the districts

districts sold by Tulja Gee to the Dutch and Danes, defraying the repairs of the *Fort of Tanjore* and the *Anicutta*, making advances to the Ryots of Grain and ready money, all these, I say, besides many other necessary charges fell so hard upon me, that I became loaded with debt. It is my greatest wish to pay what I owe to my Creditors, but the taking back from me, the Country of *Tanjore*, which is my right and the hardships, I have suffered from the clamours of my Creditors, have put it out of my power to satisfy them. Trusting to the faith and justice of the *King of Great Britain the Parliament, & English Nation, & Company*, and the friendship of the *Governor and Council*, I make no doubt but that my right shall be restored to me, the interest of the Principal due to my Creditors, will be paid them out of the Revenues of *Tanjore*, but it is not in my power to pay Interest upon Interest.

I have retrenched several necessary expences, and come to a determination of paying in six years (the Country being in peace) the whole of the Principal due to my Creditors, out of the Revenues of certain districts which I have set a side for that purpose, I now enclose you out of friendship, the Copy of a Letter, I have wrote upon that subject to the Trustees, for your information. The Money shall be divided amongst my Creditors, as it is received from the above mentioned districts.

What shall I say more.

LETTER from Mess^{rs}. Charles Binny and John De Fries Trustees on the part of the Nabob to Mess^{rs}. James Taylor and George Moubray Trustees on the part of the Creditors, Dated 2d. December 1779.

WE have this day received from *His Highness the Nabob Waulaujah* the Sum of Current *Pagodas* Thirty Thousand, as a dividend of one per Cent to be paid to his new consolidated Creditors, to account of the Principal of the debt, agreeable to his Letter addressed to Us his Trustees, and to you, as Trustees for the said Creditors, a Copy of which Letter we here enclose you for the information of the Creditors. Yours &c.

TO THE TRUSTEES.

I thing it proper to inform you that for the payment of my debts that were consolidated on certain conditions mentioned in *Articles of Agreement* made

made with my Creditors on the 26th. November 1777. I have made the following arrangement and disposition, which I shall firmly abide by in all events and as the state of my Revenues and expences render it impossible for me to do more, it would only be again disappointing my Creditors were I to promise what I could not perform, what I shall now propose, I can, and by the blessing of God will perform, and I therefore think that all reasonable Men will be satisfied.

The whole of the Principal shall be paid from the Countries of *Nellore, Servapallee, Ongole, Pulnaur*, and the *Peesbcaah* of *Vengatagerry*, beginning or reckoning from the year of *Phazely* 1180, according to the produce of said Countries, for which purpose I do assign for the term of Six years the produce of said Countries, and I do solemnly promise that during the said six years, that is, until the expiration of the year of *Phazely* 1195. I will not take for myself, or give or order to be given, or paid to any person whatsoever any part of the *Peesbcaah* of *Vengatagerry* or any part of the produce of *Nellore, Servapallee, Ongole, or Pulnaur* except for the expences of said Countries, and whatever money may at any time be received from said Countries, shall be divided amongst the Creditors.

Mr. Antonio de Souza a Circar servant is appointed by the Amildar to collect the Revenues of the districts thus assigned and shall pay same unto the Trustees that are, or hereafter may be appointed, who shall issue it to the several Creditors or their Attorneys at the Garden of *Chepauk* and take their receipts to account of the Principal, But if in case by any failure in the Crops or by any War, or other at present unforeseen accidents, the whole of the Principal of my said late consolidated debt should not be discharged in the term of Six years, then in that case, the *Peesbcaah* and produce of the Countries abovementioned, shall continue assigned until the whole principal be fully discharged. Any balances that may be due to me, or hereafter collected for me, from the said Countries on account of past years shall be paid to account of the Principal to *Mr. De Souza* and by him to the Trustees for the benefit of the Creditors in the same manner as the rising Revenue. If *Mr. De Souza* should die, or his Trust in any other manner should become Vacant, another person in my Service shall be appointed by me, it being however understood, that such person shall not be an European. The Interest of my said late consolidated debt is to be reckoned from the 25th. November 1777, of which 5 per Cent has been already paid,
but

but the whole remaining Interest now due, or that shall become due merely on account of the said late consolidated debt (the Principal of which is to be paid from the abovementioned Countries) shall be paid from such moneys as may be received from the Country of *Tanjore*, under any denomination whatever, all of which I do hereby assign for that purpose.

The Creditors are to expect the receipts of said Interest from the Country: *x* of *Tanjore* only, should the moneys that may be received from *Tanjore* at any time exceed the Interest then due, the Overplus of such money shall go toward paying the Principal. And for the further satisfaction of the Creditors I do hereby permit them, or you, on their behalf, to keep a Conicoply in each of the abovementioned Countries to report to them or you from time to time, such matters regarding the collection of the Revenue as may tend to affect their Interest.

*EXTRACT of a Letter from the GOVERNOR to the
NABOB Dated 2d. December 1779.*

I HAVE had the honor to receive your *Highbness's* Letter of the 20th. Instant acquainting me with the causes which have occasioned your being so largely indebted to individuals, your Reliance on the Justice of the *English Nation* for restoring *Tanjore* to you, and the resolution you have taken in regard to the payment of your new debts, by providing for the Principal from your Revenues in the Carnatick, and refering your Creditors to what you may receive from the *Tanjore* Country, for the discharge of the Interest.

Your *Highbness* is well acquainted with the part which this Government has taken in the affairs of your new Creditors, that upon their earnest solicitation for support, I thought it my duty to interest myself in their behalf and to write to the Company concerning them, and as their distress was very great on account of their not receiving what they expected from your *Highbness*, I wrote to your *Highbness* strongly in their favor & requested that the Interest upon their debts might be regularly paid; in your *Highbness's* Letter of the 27th. *June*, you informed me that you had not been able to fulfill your engagement to that time, but that you had then determined to pay one year Interest from 1st. *August* 1779. to the end of *July* 1780. and fixt the Kists accordingly, the first of which was to be paid on the 30th. *November*; I afterwards requested in their behalf, and in behalf of your old Creditors, that some payments might be made earlier

but without effect, now the time for beginning the payments by your own agreement is arrived, your *Highness* proposes a new plan for settling your debts, as all the Letters and papers regarding this business are gone home to the Company, as I have no intimation from the Creditors whether this new proposal that your *Highness* has made be agreeable to them or not, and as the part I have taken was founded on their former applications, which are gone home, I can say nothing in answer to your *Highness* letter but only to express my wish that you would abide by what you engaged to do in consequence of my representations, and particularly as your *Highness's* agreement with the Company for this year, was avowedly made lower, on account of the representation you made to me of the heavy demands made on you, the low state of your Finances, and your earnest desire in some measure to satisfy your Creditors.

I do not find that your *Highness* makes any mention of your old Creditors but I hope your intentions respecting them will be fulfilled punctually according to the stipulations made at the same time, that you came to the agreement with regard to the new ones.

*LETTER from the Creditors to the Honourable SIR
THOMAS RUMBOLD Bar^t. President &c. Members of the
Select Committee Dated 8th. December 1779.*

THE Trustees of the *Nabobs* new Creditors having received a Letter from *His Highness* containing afresh proposal for the payment of his debt to them, we think it incumbent upon us to enclose a Copy of said letter for your information.

In a former address to your Honourable Board, We stated the original agreement concluded by the *Nabob* for the payment of this debt, and threw ourselves upon the justice and protection of your Government for support, under that agreement, your Honor &c. were pleased in consequence to promise your best endeavours, and to write to the Company in our favor, for which we have already expressed, and continue to feel, the most grateful sense.

The *Nabob* consented in a Letter to the *Governor* dated the 27th: *June* (of which we were furnished with a Copy) to pay one years Interest upon the debt between the 1st. *August* 1779. and the end of *July* 1780. in certain monthly Kists, but the first of the said Kists having
become

become due the 30th. *Ultimo*. His Highness was then pleased to offer a fresh proposal, or more properly to declare his resolution of adopting a new plan for the payment of his debt, which would, if acquiesced in by the Creditors, place them in a state of great security, and render them under the protection, which they have been so happy as to obtain upon their former agreement. We are informed, that at the time the *Nabob* wrote his said letter to the Trustees, he addressed another letter to the *Governor*, acquainting him with the resolution he had taken relative to his new debt, and transmitting a Copy of his letter to the Trustees, on the occasion we also learn that the *Governor* was pleased to write to the *Nabob* in answer, that the Committee had supported the cause of the Creditors upon the Original agreement, and all the Papers and Letters regarding it, having gone home to the Company, they could say nothing with respect to his new plan, but recommended it to him, to abide by the promise he had made of paying a years Interest to the Creditors.

We cannot sufficiently acknowledge our obligation to your honor &c. for this proceeding, which is intirely consonant to the wishes of the Creditors, and a satisfactory proof of your disposition to fulfill the promises you have made to them.

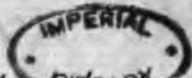
The *Nabob* having in consequence of his new proposal, to which no assent of any kind had been given, summoned a Meeting of the Creditors at *Chepduk* the 1st. instant His Highness there tendered to them, the payment of one *per* Cent on their several Bonds, but required them to receive it as so much, on account of the Principal in conformity with his proposal, the Creditors objected, and put the *Nabob* in mind of the promise he had made of paying one years Interest, as beforementioned they said, that they could by no means relinquish their claims under the *Nabobs* first agreement, and as they understood, that the *Governor* proposed to write a Letter in their favor, they requested if the *Nabob* did not choose to pay them the dividend on account of the Interest, that he would allow them to wait the effect of the *Governor's* application, and in the mean time permit the money to remain in charge of his Trustees. This was accordingly agreed to, and the Creditors adjourned their meeting till the 6th. instant, when they assembled again at *Chepauk* to know the *Nabobs* final determination; His Highness positively told them, that he could not alter his late determination, and again required them

to receive the dividend of one *per Cent*, on account of the Principal, in this situation, the Creditors seeing their own efforts, and even the application of the *Governor* had proved ineffectual, having no immediate means of compelling the *Nabob* to perform his engagement, and being pressed by their necessities to the last extremity, were of opinion that any money proposed to be paid by the *Nabob* must be received, and that therefore the present dividend of one *per Cent* be received, but under a strong declaration and protest setting forth, the circumstances of the case, and asserting their claims to all the benefits of the *Nabob's* Original agreement. Were the Creditors even inclined to assent to this new proposal of the *Nabob*, it is utterly out of their power to do it, under the circumstances of the several transfers, Trusts and assignments which these Bonds have undergone, since the Creation of the new consolidated Fund, many of which Bonds and the Interest on them are now in Trust, for the security of debts due by the Creditors, or for the Provisions of Families and Children in India and Europe, and to whom many of the Creditors originally named in the Bonds are at present only Trustees or Attorneys. We have been thus particular in relating what has passed to shew, that we have neglected nothing on our part to procure justice from the *Nabob*, and that what we have done has been merely in compliance with our necessities, and not intended to convey the smallest assent to the measures taken by *His Highness*, for we still most anxiously wish, and do make it our earnest request, that your honor &c. will be pleased, if you think it can be of any effect to solicit the *Nabob* again in our behalf to perform the engagements he has entered, into with his Creditors.

LETTER from the Creditors to the HONOURABLE CHARLES SMITH Esqr. President and Governor &c. Members of the Select Committee of FORT ST. GEORGE. Dated 7th December 1780.

WE the principal Creditors of *his Highness* the *Nabob* have had repeated Cause to lay our distressed situation before you, and it has been no small Consolation in the midst of the disappointments We have suffered from the capital Failures in the *Nabob's* engagements to Us, to find in your Honorable Board a disposition to procure Us that Justice, which our claims entitle us to, and our pressing necessities absolutely require.

The



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The Nabob by his Voluntary and unsolicited promise to his Creditors in November 1777 should have paid the Interest of his Debt regularly, and after the first Year $2\frac{1}{2}$ Lacks annually of the Principal, besides Interest from the Carnatick (exclusive of the Province of Tanjore) but instead of this he has only paid Us in the Course of 3. Years $9\frac{1}{2}$ per Cent, which is not quite one years Interest. Under these Circumstances We leave you to judge of our Embarrassments, and how much they are unavoidably increased, by the troubles which prevail in the Country.

Our only Hope now is in the Justice and support of your Government, and in that hope We take the liberty of making proposal to your Honor &c. which we flatter ourselves (if accepted) will in the present Exigency of affairs be found beneficial to the Company, and afford some relief to the Creditors, most of whom are labouring under the most serious difficulties.

The NABOB some time ago, set apart the Districts of *Nellore, Ongole, Pulnaur, and Servapallee* the Revenues of which were under his solemn Engagements, as is well known to your Honorable Board, to be appropriated solely to the use of his private Creditors. These districts We understand have as yet suffered but little, from the incursions of the Enemy.

As the Company must be greatly in want of Money, as well as provisions for the Service of the War. And as the Country of *Nellore* can supply great plenty of Cattle Sheep, and provisions of every sort, we think it Our peculiar duty to contribute such Assistance, as is in our power when every exertion is so absolutely necessary. With that view, We beg leave to propose that your Honor &c. will be pleased to receive into the Company Cash all the Revenues arising from these Countries, during the present War, granting to the Creditors Bonds for whatever may be received in money or provisions, in proportion to their respective demands upon the NABOB.

From the Nabob to the Governor

Dated 14th January 1778

It is well known to you that in order to reimburse the Company for the money they have already paid

to my Cavalry put under the Orders of the Commas
in Chief during this War, and for what they may
in future advance on that account, I first agreed to
pay yearly out of the Revenues of Sinnerelly Trin
compley Ramanant and Shera Ganga / when the War
should be in Peace / the Sum of two Lacks of Pagas
the Governor & Council afterwards expressing a desire
that three Lacks of Pagodas should be paid yearly
till the whole money they laid out should be reim
bursed to the Company I consented to it in my Let
of the 1st October 1780 — You some time ago desired
me to deliver over to the Paymaster at Sitchinap
a quantity of Paddy to the amount of Twenty Thous
Pagodas and to the Paymaster of Palameedah Paddy
for thirty thousand Pagodas in order to pay the Tro
at these places. I immediately dispatched Orders for
the delivery of the abovementioned quantity of Paddy
to the Paymasters to be deducted out of the three Lacks
of Pagodas I had agreed to pay and to take the

Paymasters Receipts for it

You now Sir request and insist upon my granting Luncaus to the Company upon the revenue of the District of Mellore to reimburse them for the charge they are at — My Friend It is well known how intimate a Friendship has subsisted for many years between the Company and myself — Since I have never missed an Opportunity of Shewing my Friendship and assistance to my Friends and have expended all that I have with pleasure in serving my friends formerly both in the Wars of Madras and Pondicherry &c — should I be wanting at this time to assist them when they are employed in defending our Country & opposing my Enemy, I have hitherto never been wanting in assisting them as far as laid in my power and never shall be — Since I have already with pleasure agreed to give up the Revenues of the above Countries

Countries to them, Why should I be against giving the Revenue of Nellore to them. But the case is plainly this — These people who lent me money when I was in the possession of the Sangore Country in hope of being reimbursed from the Sunkas granted to them upon that Country, had them afterwards taken from them when Sangore was wrested from me, and it then became necessary for me, out of consideration for their situation, to assign to them, the Revenues of Nellore in payment for the Principal of my Debt to them. They accordingly consented to receive their Principal out of that Country in hope of receiving Interest due to them out of the Sangore Country. — whenever my friends should do me the justice of restoring it to me. — But my friends through my misfortune were not acquainted with the situation of affairs and were instigated by some of their Servants to take the Country of Sangore by force from me and I remained loaded with debt. — They did not even leave

leave me as much power over Tanjore as my Father and
 former Subahdars had possessed — What advantage do
 my friends now receive from Tanjore or what benefit do
 the public affairs reap from it? on the contrary five -
 years Revenue of that Country have been thrown away
 and not applied to the use of my friends or mine or for
 the good of public affairs, or to satisfy my Creditors, after
 all you will see that Sulajagee will conduct himself
 towards you like an Enemy, Had the Country of Tanjore
 been in my hands at this time, the situation of our -
 affairs would not have been what it is — I would with
 the blessing of God have had a respectable body of Horse
 and Infantry to have joined your army and I
 would have had money to assist you with — you
 would not have met with difficulties for want of money
 and Men — The Company's trade would not have
 been stop'd, and instead of sending home Investments
 they would not have been obliged to draw Bills on
 Europe

Europe — My Creditors would likewise have been —
 satisfied — as I am bound to those Creditors, who are
 English men and residing under your protection, and —
 who out of consideration for my situation, consented to
 receive the Principal of their Debt out of the Revenue
 of Nellore, and the Interest from Sangore — As I am
 bound to them I say it is not in my power to give you
 up the Revenue of Nellore without their consent — If
 you will satisfy them by telling them that the
 Company will receive the Nellore Revenues while the
 troubles continue in the country, I am ready with great
 pleasure to order my Annual to pay the Revenue collected
 there to any person whom you shall appoint & take
 Receipts for it —

What shall I say more
 a true Copy

H. A. Craig
 Dep^y Secy

Extract of Minutes of the Select Committee

5th February 1788

The Committee now proceed to take into Consideration a Letter from the private Creditors of the Nabob which is entered on their proceedings of the 11th December last, and ordered to lie upon the Table - together with a letter addressed by the Nabob to the President on the subject of the Revenue of the Nellore &c^a Countries as ordered in the Country Correspondence No 4 - On reference to the proceedings of the Committee relative to the claims of Individuals on the Nabob it appears that a letter was received from the Governor General & Council of Bengal dated the 7th April 1777 recommending to this Presidency to require in form from the Nabob a Resumption of all Sarkas or Assignments of the Revenues of the Carnatick and an Account of his Debts contracted with the Subjects of Great Britain,

and

and to insist upon his suspending the liquidation of those
 "Debts, until he should have fully discharged those
 "due to the Company or until their Orders should arrive
 "On the 27th of December 1777 - The Nabil writes to the
 Board - "Having given the most serious attention to the
 "Letter from the Governor General & Council of the 7th
 "of April last, & to the Extract of the one from the
 "Court of Directors of the 11th June, I proposed such
 "an arrangement to my Creditors, as would ensure pay-
 "ment to them by degrees" - "I have withdrawn all the
 "Sankas and assignments I had granted on my Reven-
 "ue & Country and being well persuaded of the salutariness
 "of the measure, I am resolved not to grant any such
 "again" - On the same day the Nabil addresses the
 Governor General of Bengal in these Words - "I have
 "complied with your Recommendations & have made
 "agreement with my Creditors and they seem persuaded
 "of my good intentions" - The arrangement is made
 dated

dated the 17th December 1777 and formally acceded to by
 the Creditors, closing the Accounts of the New Fund the
 25th November of the same year — the 5th & 26th of
 January 1778 the Nabit agreeably to the above arrange-
 ment acquaints the Creditors that "He is determined to
 apply to the payment of this new Debt the Revenues of
 the Palnau, Engole, Nellore and Servipally Countries
 and the Peeshack of Veniatagerry & also One Lack
 and fifty thousand Pagodas from the Arcot Country
 amounting in all to above seven Lacks of Pagodas — the
 same Sum to be paid every year till the Debt shall
 be discharged" On the 25th November 1778 — Having failed
 in his engagements the Nabit proposes to his new Conso-
 lidated Creditors — a Mortgage of certain of his Jewels
 to complete the annual amount Interest of Six —
 Lacks & forty Thousand Pagodas on the whole Fund,
 which was closed at thirty five Lacks of Pagodas —
 — about

about four Months afterwards the 11th March 1729 — the
 First Letter of Complaint appears from the Creditors to the
 Committee. They enclosed the several Papers which had
 passed between them and the Nabob and shew that the
 proposition for an Arrangement with his Creditors came
 voluntarily and unsolicited from himself, that it was
 founded on what he conceived to be the wish of the
 Hon^{ble} Court of Directors & of the Governor General
 and Council of Bengal. and that it enabled him to call
 in all the Sankas and assignments which could have
 been accomplished in no other way" They then represent
 the capital Failures on the part of the Nabob, which
 had thrown them into the greatest distress — Having
 "refused even to deliver the Jewels which he had
 offered as Security for the remainder of the last year's
 Interest" and then proceed — "It is well known to
 your Honor &c. that the Debt We claim of the Nabob
 includes the greatest part of the property of the British
 Subjects

"Subjects and Natives within the Colony, and the Conduct
 "of his Highness in withholding his payments from us.
 "has produced almost an universal Bankruptcy & a total
 "Stop to the circulation of money, two of the most alarm-
 "ing evils that can befall any State - When these things
 "are attentively considered and when it is considered also,
 "that a great part of the Money taken up by the Nabob
 "from Individuals & for which they had assignments on
 "the Fairatiah has been paid into the Company's treasury
 "in discharge of his engagements to them at different
 "periods, We flatter ourselves that the request we
 "now make for your assistance and good Offices with
 "the Nabob, and for your favorable Representation of
 "our case to the Honble Court of Directors and to the
 "Governor General & Council of Bengal will be received
 "as we could wish - We are far from presuming to
 "place our Demands on a equality with those of the
 "Company. It is our wish and desire that they
 "should

should always have that preference which is due to their
 Superior Claims, but when there is apparently an ample
 resource for doing justice both to the Company and to the
 private Creditors it seems unreasonable that the latter
 should be totally excluded, in the present situation of
 affairs We are willing for the sake of the public Service to
 forego as much of our Claims on the Nabol as We possibly
 can, but the regular payment of the Interest on our several
 Bonds is absolutely Requisite for our Support, and We
 make it our particular Request therefore that your Honor
 &c will be pleased to use your good offices with the Nabol
 that We may receive what is due on this account & be
 punctually paid in future according to the Lists
 submitted by his Highness - The amount of the debt
 consolidated as abovementioned in 1777 will not
 exceed 35 Lacks of Pagodas (instead of the enormous
 Sum which was at one time supposed) as your Honor
 &c will perceive by the accompanying declaration of
 the Nabol that his Trustees in November last, and
 Bonds for 34 Lacks and upwards have actually been
 issued

issued, such being the Case We conceive it cannot in any shape bear hard upon him to pay the Interest &

"We shall detain your Honor &c no longer than to mention one circumstance more relative to the Nabob's Debt which seems to require explanation. In the agreement signed by the Nabob there appears a stipulation in favor of Mess^{rs} Taylor, Majendie & Savage and Call, which is not accounted for — the reason of that distinction was, that those Gentlemen did at the earnest Solicitation of His Highness (to enable him to make a general arrangement of his affairs) actually relinquish the exclusive assignment of the best Country, a great part of the Revenues of the Nellore and other Countries and five sixth parts of the Moneys that might be received from Tanjore, and were on that account thought both by the Nabob and by the Creditors in general entitled to a particular stipulation in their favor" The 13th of the same

same month the Committee write thus to the Court of Directors

"We transmit a Number in the Packet
 a Copy of a Letter which has been addressed to Us
 by the Nabob's Creditors whose demands were liquidated
 in November 1777 together with sundry Extracts & Papers
 shewing the Grounds of that liquidation, and the
 particular Agreements entered into by the Nabob for
 the payment of the Principal & Interest of his debt
 Those Creditors have in their said Letter explained
 fully the distressed situation in which they are involved
 by the Nabob's Failures in the engagements concluded
 between them, and have earnestly solicited our support
 with you, and with the Nabob, to procure them relief."

In our letter of the 14th March last, We
 mentioned the subject of this new Debt, and estimated
 the amount of it by the information We had then obtained
 at the enormous Sum of 63 Lacks of Pagodas. But as it
 now appears that the Debt as closed by the Nabob and
 certified under the hands of his Trustees amounts to no
 more

"more than 35 Lacks of Pagodas, and that Bonds for
 "34 Lacks only have yet been granted, our Opinion
 "respecting it hath very much changed, and We are led
 "to believe that the case of the several persons whose
 "property is concerned on this occasion, is really such as
 "to merit your consideration & Support.

"There can indeed be no doubt that the Debts
 "We now speak of includes a very considerable Share of
 "the property belonging to the Individuals of the Settlement,
 "besides the Fortunes of several British Subjects in the
 "other Settlements of India and in England. The
 "Nabob has been taking up money for many years
 "past wherever he could obtain it, and instead of depending
 "on the Resources of his Country in the first instance to
 "discharge his public engagements, he has used the money
 "borrowed from Individuals for that purpose and mortgaged
 "the Resources of the Carnatic to satisfy his Debts to them,
 "by these means at the time he came to an Agreement
 with

with his Creditors in 1777 he had mortgaged the most
 considerable and the most valuable parts of his Country -
 and the Agreement entered into certainly enabled him to
 recall all the Agreements he had given to his Creditors,
 and by freeing the Carriatick from that burthen placed
 his affairs in a condition to answer his debts & engagements
 to the Company which it would have been otherwise
 extremely difficult, if not impossible for him to have
 done.

These circumstances added to the alarming
 state of Bankruptcy and distress in which we see the
 Settlement actually involved on account of this Debt, &
 have induced us to take up the cause of the Creditors, and
 particularly as there has not to our knowledge been a
 single information or complaint made either by the
 Nabob or any other person against any of the Claims
 that have been preferred, altho in consequence of your
 Orders of the 11 June and 4th July 1777 on the subject
 of enquiries. We opened the Door to every sort of
 information that could be thought likely to affect the
 Debt.

Debt.

"We think the Nabit may well afford to
 "pay the Interest due and to become due on the Claims of his
 "private Creditors without breaking through his engagements to
 "the Company or withholding the payment of his old Debt.
 "We shall use our earnest endeavours with him to that purpose
 "and in the mean time We think it our duty on the principles
 "of Justice and humanity, to recommend the case of these
 "Creditors to your favourable consideration."

"Besides the consolidated debt of 35 Lacks
 "which We have mentioned We think it probable the Nabit
 "may owe to Individuals about 10 or 12 Lacks more, including
 "the Money due to Messrs Taylor & Majendie & Co on account
 "of the Cavalry loan, and this additional sum We believe takes
 "in the whole of the Nabit's Debt."

"It may be proper before we close this subject to
 "mention the apparent reason why no accounts of the
 "Mortgages or assignments granted by the Nabit on different
 "parts of the Carnatic were delivered into us in consequence
 "of your orders of the 11 June 1777 at the time those orders were
 "published / on the 24th November in that year / We find
 "that

that the Creditors were treating with the Nabob on the
liquidation of their respective Claims; and by the Agreement
concluded shortly afterwards it appears that all the
mortgages and assignments were delivered up to his

Highness. On the 20th of May of the same year
1779 the Creditors say in a Letter to the Committee "We
only wish the payment to be put on a such a footing as
to secure us from disappointments. It is our earnest wish
to accommodate our Claims on the Nabob as much as
possible to the convenience of the affairs of the Company
and upon this principle should the exigency of their
affairs require it we will cheerfully consent to lend the
whole or any part of what we may receive to the
Company"

In consequence of this the President / Mr
Reynolds, addresses the Nabob the 4th June 1779

"The distress in which I see many Individu-
als involved by their Claims on your Highness, and
the effect which this distress has even on the affairs of
the Company, plead strongly in favor of the Request I
now

now make, which is that your Highness would establish some certain provision for the payment of your Creditors as far as you can consistently with the demands of the Company for the public service.

The 27th June — the Nabob encloses to the Committee a Kistbundy to the new Creditors from the 1st August 1779 to 31st of July 1780 —

— The President acknowledges the receipt of this Kistbundy in the 15th July — and in the strongest terms recommends punctuality in the discharge of it to the Nabob — On the 20th November 1779 — The Nabob writes — "It is my greatest wish to pay what I owe to my Creditors, but the taking from me the Country of Tanjore which is my right has put it out of my power" I have retrenched several necessary expences and come to a determination of paying in six years (the Country being in peace) the whole of the Principal due to my Creditors out of the Revenues of certain Districts which I have set aside for that purpose

purpose — I now enclose you out of friendship, the
 Copy of a Letter I have wrote upon that subject to the
 Trustees for your information — The Money shall be
 divided amongst my Creditors as it is received from the
 abovementioned Districts — This Letter referred to
 by the Nabol acquaints the Creditors of a Dividend of
 "one Cent." and proposes as a matter" which he will
 "in all events firmly abide by" that the whole of the
Principal of his Debt shall be paid to them from the
 Countries specified in the first Agreement, and that the
 produce of the said Countries shall be assigned to them
 for that purpose for six years or longer if necessary —
 The payment of the Interest — He declares him-
 self desirous to have fixt on the eventual Revenues
 of the Tanjore Country, or on such moneys as should
 be received from thence under any denomination —
 whatever — In this Letter the President replies fully
 the 2^d December 1779 — Now the time for beginning the
 payments by your own Agreement is arrived, your
 Highness proposes a New plan for settling your —
 Debts

Delts as all the Letters and Papers regarding this
 business are gone home to the Company, as I have no
 intimation from the Creditors whether this new propo-
 sal that your Highness has made be agreeable to
 them or not, and as the part I have taken was found-
 ed on their former applications which are gone-
 home, I can say nothing in answer to your Highness's
 Letter, but only to express my wish that you would abide
 by that you engaged to do in consequence of my repre-
 sentations and particularly as your Highness's
 Agreement with the Company for this year was arrived-
 ly made lower on account of the Representation you
 made to me of the heavy demands made on you, the
 low State of your Finances, and your earnest desire
 in some measure to satisfy your Creditors.

I do not find that your Highness makes
 any mention of your old Creditors but I hope your
 intentions respecting them will be fulfilled punctually
 according to the stipulations made at the same time
 that

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that you came to the Agreement with regard to the
new ones.

This fresh proposal of the Nabob shew-
eth another Representation from the Creditors the
8th Decemb^r 1779 in which after recapitulating the
nature of the arrangement made by the Nabob in
November 1777 & of his constant failure in his engage-
ments — they protest in the strongest terms against
his compelling them to receive one 1/2 Cent of the Princi-
pal of their Demands, upon condition of their eventu-
ally receiving the Interest due them on their Bonds
from the Tanjore Country — They then proceed to Say —

“Were the Creditors even inclined to
assent to this new proposal of the Nabob, it is utterly
out of their power to do it, under the circumstances of the
several transfers trusts & assignments which these
Bonds have undergone since the creation of the new
consolidated Fund, many of which Bonds & the
Interest on them are now in Trust for the security
of Debts due by the Creditors, or for the provisions
of Families and Children in India & Europe, and

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" to whom many of the Creditors originally named in the
 " Bonds are at present only trustees or Attorneys - We
 " have been thus particular in relating what has passed
 " to show, that we have neglected nothing on our part to
 " procure justice from the Nabob, and that what we have
 " done has been merely in compliance with our necessity:
 " - fees. I not intended to convey the smallest dissent to the
 " measures taken by his Highness, for we still most -
 " anaciously wish, and do make it our earnest request, that
 " your Honor will be pleased if you think it can
 " be of any effect, to solicit the Nabob again in our
 " behalf to perform the engagements he has entered into
 " with his Creditors -

From this time - until the 11th December
 1780 - when the letter now under deliberation from
 the Creditors was received, nothing material occurred
 in this business - they appeared to continue in expect-
 ation of redress from the Company - or of some
 more favorable arrangement to relieve them in -
 their

their distresses — On the foregoing therefore the Committee think themselves warranted to draw the following Conclusions —

That the Nabsb voluntarily & unsolicited to relieve his Country & Revenues from Tankas & Assignments, & to enable him to fulfill his engagements with the Company proposed and entered into an Agreement with his Creditors in 1777 for a liquidation of those Debts —

That the Ground work of this Arrangement was professedly on his side, and acknowledged to be the same on that of the Creditors, the orders of the Company of the 11 June 1777 and the Requisition of the Governor General & Council of Bengal of the 7th

April 1777 — That this arrangement having been formally made and the necessary Bonds & Papers regularly issued under the sign manual of the Nabsb, and the Seal of the Carnatick, the same was notified by both parties to this Government to the Governor General & Council of Bengal, and by both

of

of these Presidencies to the Honble the Court of Directors

That the Nabob has manifested a want of punctuality in his engagements - and that thereby the Creditors have indisputably laboured under difficulties & distresses which the Committee have in frequent instances expressed an inclination to relieve

These points being admitted, which they are not only entitled to from the clearest deduction, but from every principle of Equity and Justice - the Committee next proceed to consider the proposal of the new Consolidated Creditors, in their letter of the 7th December 1788 which is as follows

"The Nabob some time ago set apart the
 "Districts of Mellore, Ongole Palnau & Serapooty.
 "the Revenues of which were under his solemn engagements, as is well known to your Honble Board to
 "be appropriated solely to the use of his private
 "Creditors - These districts We understand have as
 "yet suffered but little from the IncurSIONS of the
 "Enemy

"Enemy"

As the Company must be greatly in want
 of money as well as provisions for the service of the
 War — and as the Country of Nellore can supply great
 plenty of Cattle, Sheep and Provisions of every sort, we
 think it our peculiar duty to contribute such assistance
 as is in our power when every caution is so absolute-
 ly necessary, with that view We beg leave to propose
 that your Honor &c will be pleased to receive into
 the Company's Cash, all the Revenues arising from
 these Countries during the present War, granting
 to the Creditors Bonds for whatever may be received
 in Money, or provisions, in proportion to their respective
 demands upon the Nabob &c

The Committee will acknowledge that
 the above proposition has every appearance of being
 made with the laudable intention of assisting the
 Public in this conjuncture of affairs, when every
 resource of not only money, but provisions is in a
 peculiar manner necessary — They will also
 confess

confess it to be their Opinion that in the event of the
 acceptance of this offer many who now make it, would
 inevitably feel the want of that pecuniary assistance —
 which it is well known they stand in need of. Yet how-
 ever the Committee as Individuals may feel for the Cre-
 ditors in this respect. — they still have higher concerns
 to look to, the interest of their Employers — In the invariable
 attention which it is their duty, as it is their happiness to
 pay to this object — they have been far from overlooking the
 supplies which the Mellor & Countries, it has been —
 reasonable to suppose would afford them. Those Districts
 having hitherto escaped the devastations of the Enemy the
 Nabob has accordingly been solicited on this head in the
 warmest manner — The distresses of the Company have
 been painted to him in the strongest colours. — He has been
 told that every private consideration should give way
 to public exigency — & he has been earnestly desired to
 appropriate the Revenues assigned to his Creditors — to
 the protection & Defence of the Carnatic in general — to
 this the Nabob has replied — that with the consent of the
 Creditors

Creditors — He is willing to give his fullest approbation
 to the Collections being made on account of the Company
 — The following is an Extract of his Letter to the Pre-
 sident of the 4th Ultimo on this subject — "you now
 request I insist upon my granting Sanctas to the Company
 upon the Revenue of the districts of Nellore to reimburse
 them the Charges they are at — the case is plainly this,
 those people who lent me money while I was in the
 possession of the Tanjore Country in hopes of being reimbur-
 sed from the Sanctas granted to them upon that Country —
 had them afterwards taken from them when Tanjore was
 wrested from me, and it then became necessary for me out
 of consideration for their situation to assign to them the
 Revenues of Nellore in payment of the Principal of my debt
 to them — They accordingly consented to receive their Prin-
 cipal out of that Country in hopes of receiving the Interest
 due to them out of the Tanjore Country whenever my
 Friends should do me the justice of restoring it to me —
 — as I am bound to those Creditors who are English
 men and residing under your protection I who out of
 consideration for my situation consented to receive
 the

"the Principal of their debt out of the Revenue of Mellor
 "and the Interest from Sanjon, as I am bound to them I
 "say, it is not in my power to give you up the Revenue
 "of Mellor without their consent - if you will satisfy
 "them by telling them that the Company will receive the
 "Mellor's Revenues while the troubles continue in the
 "Country. I am ready with great pleasure to order my
 "Account to pay the Revenue collected there to any person
 "whom you shall appoint and take receipts for it"

These circumstances the Committee have
 only one of these alternatives to adopt. Should they
 resolve upon appropriating the Mellor Revenues to the
 public service either to receive the Revenues & grant Bonds
 to the Creditors agreeably to their proposition or to appro-
 priate the Collections from these provinces with the
 sanction of the Nabob to the uses of the public service
 and to refer the consideration of the measure to the
 Company - the former of these - the Committee do
 not conceive themselves in the present situation of
 affairs warranted to carry into execution & the
 latter the Nabob has declared he cannot
 acquiesce

acquiesce in — Resolved therefore that the Nabit and the Creditors be acquainted that We do not think we can consistently with the attention we owe to the Interest of our Employers, accept of the offers they have made to us — Neither can we at this time exert ourselves in any manner whatsoever towards relieving the Creditors or towards rendering them that degree of service in the matters of which They now complain, that they undoubtedly are entitled to —

A true Extract from the Minutes of the Select Com.
 R J Sullivan
 Secy

Letter from the Secretary to the Select Committee to the Nabit Creditors in the New Consolidated Fund Dated 12th February 1791 —

To the Principal Creditors

of the New Consolidated Fund of his Highness the Nabit
 Gentlemen

I am directed by the President and Select Committee to acknowledge the receipt of your letter of the 7th December last, and to acquaint you that they do not think they can consistently with the attention they owe to the interest of their Employers
 accept

accept the Offers you have made to them, nor is it at this time in their ability to render you any Services in the matters of which you complain?"

I am Gentlemen

Your Most Obedient Humble
Servant

R. J. Sullivan

Letter from the Creditors to the Honble Charles Smith
Esq^r President & Governor &c a Member of the Select
Committee of Fort St. George Dated 16.th Feby 1781

"We have had the honor to receive a letter from your Secretary by your Order dated the 12.th Instant in reply to ours of the 7.th december last informing us that you do not think you can consistently with the attention you owe to the interest of your Employers accept the offer we have made to you. Neither is it at this time in your ability to render us any service in the matters of which we complain"

"We are much concerned that you have not been able to accept of the offer we made to you, or to take any other Step for our relief— In this Emergency
We

We have been induced to prefer an application to the Governor General & Council of Bengal for their assistance and support and We beg permission to send the same through the channel of your Board, and to request you will do us the favor to forward it to them by the first Conveyance

Letter from the Creditors To the Honble Warren Hastings Esq Governor General & Council of Fort William Dated 18th February 1781

We the Creditors of the Nabob of Arcot whose demands were liquidated by public Agreement with his Highness in 1777 Humbly beg leave under the peculiar circumstances of distress in which we are involved to lay our situation before you and to solicit such assistance & Support as it may be practicable for you in the present posture of affairs to grant us

By referring to the papers which we have the Honor to enclose herewith, you will observe that the arrangement proposed by the Nabob for the discharge of his Debts was founded upon a Letter written by your Board to the President and Council of the Settlement dated

dated the 4th April 1777. wherein you were pleased to recommend in strong Terms the immediate Resumption of all Sums or Assignments granted by the Nabol to his private Creditors on the Revenues of the Carnatic.

The assignments held by individuals at that time amounted to nearly the whole of the Nabol's debt. The greater part of them had been granted on the Tanjore Province during the time it was in his Highness's possession, but when the Country was restored to the displaced Rajah, these assignments were all thrown upon the Carnatic and lay as heavy incumbrances upon every part of the Revenue.

To effect the salutary measure of withdrawing them without injuring the rights of his Creditors, the Nabol offered certain propositions which were calculated to ensure payment of his Debt by a regular, tho' very slow Progress, and the Creditors confiding in the security of his intentions, and trusting also to the support of the Company's Government, were induced to acquiesce in the Terms and in consequence delivered up their assignments

assignments to the Nabob whereby he was enabled to -
 fulfill all his engagements to the Company, which
 it would have been otherwise impossible for him to have
 done -

It is now to be remarked that the Nabob
 tho' so much benefited by this arrangement, has failed in
 every article of it - instead of paying the Interest of his
 Debt regularly and after the first year a part of the
 Principal annually according to his proposals, he has
 only paid us in the course of three years 9 1/2 percent -
 which is not quite one years Interest, and since the
 breaking out of the present troubles, we have not received
 a single Pagoda from him - Your Honorable Board
 will easily conceive the private Embarrassments occa-
 sioned by these capital Failures in the Nabob, they
 have indeed operated so far as to produce a very serious
 & general distress throughout the Colony -

We humbly hope that a subject of
 such concern will engage your earliest attention
 our motives for addressing you particularly at this time
 proceed from an ineffectual application We have lately
 preferred to the President & Select Committee of this
 Settlement on a point of consequence to us, &c.
 as has been said, and the accompanying Papers will shew
 that

that the Nabob in his agreement with the Creditors — allotted the Revenues of certain Districts for the discharge of his Debt — These Revenues it is true have never yet been faithfully applied to that purpose, but as they were expressly set apart by the Nabob as the only Fund from whence the Creditors were to be paid, they have always considered their exclusive right to the benefit of them as unquestionable — Upon this ground they tendered the Revenues to the Government here during the War, on condition of their granting Bonds for the amount of whatever might be received into the Company's Cash.

The Districts in question have suffered but little from the enemy's incursions — They are conveniently situated and might be easily protected by a small Force — their produce is estimated at near five lacks of Pagodas p annum and consists chiefly of Grain Cattle, Sheep, and provisions of all sorts — Notwithstanding these Advantages and the pressing Calls of the Company for money, The President and Select Committee did not think proper to accept our offer, or to adopt any other effectual mode, by which the
Company

Company or Creditors, might reap any benefit from those Countries — the consequence is, that being left unprotected and in the hands of the Nabob's Servants who have not the means nor had they the inclination to enforce the Collections at present, the whole or greatest part of the Revenues will probably be lost —

Under these circumstances We humbly request your immediate assistance. We are confident your attention to the Company's welfare will not permit you in the present exigency to disregard a source of Supply not inconsiderable & more especially as the Creditors of the Nabob, who are British Subjects labouring under the severest pressure of distress, would be so much relieved by your availing yourselves of it in the manner which they proposed — We trust too, that in view to the Company's Interest alone, you will think it more eligible for the Government here to obtain a supply of money upon the easy terms of paying it again when convenient to them than to procure it (as is the case at present) by passing their Draughts upon England — We have now only to express our
 Hope

hope that your honor^{ble} will excuse us for the trouble
We have given you in this address & that you will favor
us by your determination upon the subject of it as soon
as possible

We have the honor to be

George Moubray
J^r Capper
Gilbert Parley

James Taylor
George Savage
James Ball

Alex^r Brodie atty for

W^m Cuthbert atty for the
Hon^{ble} Edward Mowbray
Col Bonyon & the Estate of
Henry Moore

Lt. Col W. Harper

Col George Brown

Major Grov Gellis

Captⁿ Mich^l Bruce

Captⁿ Peter Bonnevaux

Doct^r A. J. Balfour

B. Brockbank for James
Thomas Pelling & others
John De Forest Col. Ross Lang
Col. W. Hunt

Charles Bromley for himself

Benj^m Kimberly Salmon

Charles Bromley in trust for

Will^m Gordon, Charles Edw^d

Chas^r Bromley Jun^r

Jones & Neelacunnabaker

Chas^r Taylor

Antoni^o De Souza for himself

Chas^r Jones

Constituents & for the Estate

Anna Maria Savage

of John Spratt

Ely^x & Fran^c Dobyn

J. Bopham for the Trustees of

W^m Dobyn for himself

James Johnson

W^m A. Dobyn in trust for

John Lykes

Lewis John Majendie

John Luce in Trust	Narrain Pelly atty to
Thomas Gault	Henry Brooke Esq ^r
Robt. Horry for himself	George Maule in trust
Robt. Horry in trust for	James Johnson atty to
Hear. Boswell	James Worley Esq ^r
Hall Plummer atty & in trust	Edw ^d Jno ^s Holland
for Paul Benfield Esq ^r	Hear. Brodie act. 2 atty. for
Hall Plummer atty to Col Rogers	John Whitehill Esq ^r
Jas Taylor atty to G. Mackay Esq ^r	Thomas Lewin
Jas Taylor Esq ^r to Mr R ^d Adams	George Buck
George Moubray	John Balfour in Trust
Hear. Cuthbert	James Ball for A. Majinder
John Defries	George Moubray atty
Pelling & Defries for	to W ^m Petrie
Moses Defastros	George Moubray } atty to L.
	John Douglas } Cranford Esq ^r
	A Brodie } atty for L ^d Col
	Dugald Campbell
	Capt ⁿ Th ^s Barron

Letter from Governor Smith to His Highness the Nabob
dated 23rd February 1781 ~

I have received your Highness's Letter of -
the 14th Ult^o in reply to the different applications I
made to you on the subject of the Revenues of Melles
and

and other Districts to the Northward ~

Your Highness by way of excuse for not
acceding to my Proposition of granting those Revenues
to the Company during the War has entered into a long
detail of the manner in which they became assigned to
your Creditors, the obligations you are under of conti-
nuing this security to them, and the impossibility of
giving up the Revenues of Mellore &c without their
consent - you say - "Those People who lent me money
while I was in possession of the Tanjore Country in
hope of being reimbursed from the Tanjore grants
to them upon that Country, had them afterwards
taken from them, when Tanjore was wrested from
me and it then became necessary for me out of
consideration for their situation to assign them the
Revenues of Mellore in payment of the Principal of
my Debt to them" - They accordingly consented to
receive their Principal out of that Country in hope
of receiving the Interest due to them out of the
Tanjore Country whenever my friends should do -
me

"on the justice of restoring it to me, as I am bound
 "to those Creditors who are Englishmen, residing under
 "your protection and who out of consideration for my
 "situation consented to receive the principal of their debt
 "out of the Revenue of Nellore, and the interest from
 "Tanjore, as I am bound to them, I say, it is not in my
 "power to give you up the Revenue of Nellore without
 "their consent &c."

I am much concerned that your
 Highness has not thought proper to comply with my
 request and particularly as the pressing demands of the
 service and the very small assistance hitherto received
 from you would have rendered such a compliance
 acceptable to the Company, but as your Highness has
 been pleased in this instance to lay so much stress
 upon your engagements to your private Creditors -
 and the positive obligation you are under to fulfill
 them, you will permit me to examine how far your
 reasoning upon this head is justified by your Conduct
 towards the Creditors since the liquidation of your
 debt

debt in 1777 and consequently how far it is consistent in your Highness to dwell at this time with such peculiar force on the honor due to your private engagements.

I observe that by the agreement concluded between your Highness and the new Creditors in December 1777. you solemnly engaged to pay the Interest on your Debt regularly, and after the first year two Lacks of Pagodas annually of the Principal and you set apart the Revenues of Nellore and other Countries for the payment of this Money. It appears however that the Creditors had little cause to be satisfied with the manner in which these engagements had been performed, tho' the Carnatic was in a state of tranquility & the Revenues duly collected the Payments to the Creditors were very far short of the sums promised them, they made repeated Complaints to the Government, and the Government interfered in their behalf, but without effect at length

Yours

Your Highness proposed a new Agreement with the Creditors contrary to the former one, and carried it into execution not with their consent as your Highness now mentions but absolutely against it, as the Creditors have themselves declared in a Letter to the Governor dated the 8th December 1779.

When all these transactions are considered what inference can possibly be drawn from the conduct of your Highness towards the Creditors, but that your different engagements with them over-
 meant to be entirely subservient to your convenience or necessities and in these circumstances after such repeated failures had happened in times of peace & tranquility, what cause had I to expect that your Highness would have scrupled to add one more to the Number. At a time when the Company have advanced and are still advancing such considerable Sums on your account and that our Troops are bleeding in defence of the Carnatic and for the honor and interest of your Highness & Family and when consequently you might & ought with the greatest justice to have
 attended

attended solely to the urgent demands of the Company

Now His Highness's present declaration in favor of the right of your Creditors to the Revenues of the Nellore and other districts has encouraged them to persevere in their Claims and prevented the Committee from proceeding further in this business, by the Grounds you have given them to apprehend, that by so doing they might possibly involve the Company and themselves individually in troublesome Law suits with the Creditors.

Signed, Charles Smith *cl.*

Translation of a Letter from His Highness the Nader to the Governor Smith dated 12th Rabbisany 1195 or 7th April 1781

On the 10th of March I received your Letter dated 28th February in reply to mine of the 14th January. — You say — That I by way of excuse for not acceding to your proposition of granting the Revenues of Nellore & other Districts to the Eastward to the Company during the War, have entered into a long detail of the manner in which they became assigned

assigned to my Creditors. the obligations I am under of
 continuing this security to them & the impossibility of
 giving up the Revenues of Nellore &c without their
 consent — this I understand — you have made a
 quotation from my Letter of the 4th January but
 entirely forgot the most material part of it which
 was a representation of my inability to grant the
 Revenue of Nellore to the Company as I had assigned
 it to my Creditors before the troubles commenced. & before
 you made the request — you likewise forgot that
 I have since given the Revenues of Sinnerelly and
 Sitchinaply to the Company which amount to much
 more than that of Nellore — you express your
 concern at my not having thought proper to comply
 with your request & particularly at the pressing
 demands of the service & the very small assistance
 wherewith received from me, would have rendered such a
 compliance acceptable to the Company, but that since
 I have been pleased in this instance to lay so much
 stress upon my engagements to my Creditors & the posi-
 tive Obligation I am under to fulfill them, it is
 necessary

"necessary you should examine how far my reasoning
 "upon this head is justified by my Conduct towards the
 "Creditors since the liquidation of my debt in 1777" — this
 I understand — in consideration of my situation, the
 various difficulties & embarrassments in which I have been
 involved since Tanjore was wrested from me, and the whole
 burden of the expenses of that place left upon me — the
 choicest of my Troops Cavalry & Sepoys who were
 commanded by English Officers in my service having been
 disbanded at the earnest solicitation and request of a former
 Governor & Council, & finding myself inadequate to any
 War whatever. I repeatedly wrote the Governor & Council
 not to commence hostilities with Hyder ally at present, but
 to the utmost extent of their power to keep this Country free
 from troubles — I informed them of Hyder ally's engage-
 -ment with the Marathas to invade this Country & that
 if for the present a good understanding was cultivated with
 Hyder it might avert the Storm for some time, as my
 friends did not attend to my advice, when I saw the deter-
 -mined resolution of the Enemy to destroy the Carnatic,
 that no steps were taken by my friends to prevent the troubles
 either by negotiation or by assembling an Army in the
 field, and that the Enemy had actually invaded the
 Country — I requested the Governor & Council in my letters
 of

of the 7th September & 1st October 1780 to raise what money they could in order to defray the expenses of this unjust War, as they did those of former Wars & that I would repay the money in times of Peace — all the current expenses of the Troops belonging to me kept up through the Company for the defence of the Carnatic & paid by me — I had paid up to the day on which these troubles commenced, but a trifling sum, more than the amount of which, I had collected provisions into my Forts for the use of the Army besides what had been collected before for the Garrisons and the remainder of my Troops both here in Trichinopoly and Sirmavelly. I put under the Orders of the Company during the War & that between me & the Company it had always been usual for me to pay the current-charges while the Revenues of the Country continued to flow in & for them to disburse the expenses of War which I repaid in times of Peace — When I had explained my situation to my friends before the present troubles happened and when I have assigned over the Revenues of those Countries that have not fallen into the Enemy's hands — it surprises me much that my friends should expect other assistance of money from me which is not in my power to afford — If as you say, my giving the Revenues of Mellor &c — would be acceptable to the Company — I have done much more, I have given them the Revenues of two large Provinces Trichinopoly & Sirmavelly, during the

the War, which are considerable greater than those of Hellow
 &c — You say that you are under the necessity of examining
 into the business of my Creditors — Had you reflected my Friend
 on my situation & that of my Creditors, you would not have
 wrote ever such a Letter you tell me — The Creditors were
 "not satisfied with the manner in which your Highness
 "performed your engagements to them, the Carnatic was
 "in a state of tranquility & the Revenues duly collected —
 " — the Payments to the Creditors were very far short of
 "the Sums promised them, they made repeated complaints
 "to the Government and the Government interfered in their
 "behalf, but without effect, and at length your Highness —
 "proposed a new Agreement with the Creditors contrary to the
 "former one, & carried it into execution not with their consent
 "as your Highness now mentions but absolutely against it
 "as the Creditors have declared themselves in a Letter to the
 "Governor & Council dated 8th December 1779"

"When all these transactions are considered,
 "what inference can possibly be drawn from the conduct
 "of your Highness towards the Creditors, but that your —
 "different engagements with them were meant to be —
 "entirely subservient to your convenience or necessities, and
 "in these circumstances after such repeated failures had
 "happened in time of Peace & tranquility what could I
 "expect that your Highness would have scrupled to
 add

"add one more to the number at a time when the
 "Company have advanced & are still advancing such
 "considerable Sums on your account, & that our Troops are
 "bleeding in defence of the Carnatic & for the Honor & Interest
 "of your Highness & Family & when consequently you
 "ought and ought with the greatest justice to have attended
 "solely to the urgent Demands of the Company" — This
 I understand — When I entered into my first engage-
 ments with my Creditors I undoubtedly expected the
 Company & the Gentlemen of England would have
 speedily rendered me justice by making me a Restoration
 of my right in the Country of Tanjore. I had not the least
 suspicion that it would require so long a period to restore
 it to me — accordingly by my mentioning the Revenue of
 Tanjore in the paper of Agreement. My friend will plainly
 perceive what confidence I had in my friends with respect
 to that Country in consequence of my unquestionable right
 — at a time when the Company received nothing from
 the Circars, notwithstanding the great Balance that
 was due from them & tho' they are entirely under the
 Company's management in the Course of One year & 6 or 8
 Months I paid into the Company's treasury for the
 publick service only the Sum of 26 Lacks of Pagodas
 in ready money. The two last years Revenue of the
 Carnatic did not amount to near that Sum & when
 you

you reflect on the expences of the District & Forts of -
 my Country, of my Servants and Family & sundry other charges -
 if you do me justice you will acknowledge that what
 I paid to my Creditors in such a situation was very
 reasonable. you tell me that "the Governor & Council
 have interfered in behalf of the Creditors but without -
 effect" My friend you are not ignorant that if the
 Governor & Council had heartily interested themselves
 in the business of the Creditors, I been seriously -
 inclined to recommend them to me - it would certainly
 have been in my power to have given them their right,
 and have rendered them satisfaction - My engagements
 to them were sincere & my failure in fulfilling them was
 not to be as you say "entirely subservient to my own
 convenience or necessities" - Had the Revenue of my -
 Country, been expended for my convenience & necessities and
 for the public service only, neither myself or the Company
 would have been reduced to our present situation - It
 is very true that the Company are expending blood &
 treasure for the good of my affairs. My friend the
 Company have not only experienced my friendship and
 regard since we have been connected together & mutually
 supported each other - I assisted the English at the
 time when the French were Superior to them & had
 son

ten times more power than they had - It is now -
 a great length of time since we have supported each
 other, and many of our Servants have sacrificed them-
 selves to our service, and whatever money the Company
 [their Friendships] have expended in times of War, I have
 reimbursed in times of Peace - and the money which
 they expended in their national Wars, I cheerfully paid -
 [altho I had no right to do so, considering that from our
 Friendship there was no difference between me & the Compa-
 ny and with the blessing of God the money which the Compa-
 ny have now disbursed shall be repaid when peace is
 re-established - Even now by giving them the Revenues
 of two of my Provinces, and the remainder of my Troops
 both in Camp & in Trichempoly and Tinnavelly, I have
 not failed in affording my assistance - had the Troops -
 which are kept up by me thro' the Company for the
 defence of the Carnatic & which are paid by me not been
 sent to the Malabar coast contrary to my consent or
 had others been kept up in their room, the Enemy -
 might have been chastised before this time - was the
 Money these Troops have cost now in the treasury, it
 would greatly supply the present exigencies M^r. -
 Swartz confirmed the accounts I had before given of
 Hyder

Hyders intentions to invade the Carnatic — The Letter
 received by Mr. Grey put it beyond a doubt — the Command-
 ing Officers of the different garrisons gave advices of the strength
 & of Hyders Army and I transmitted regular & authentic
 accounts from the time of its assembling at Seringapatnam
 & Bangalore to its crossing the Ghauts — as will appear on
 the Company's records before the Enemy entered this Country.
 I repeatedly urged the Governor & Committee both verbally &
 in writing to prepare & assemble the Army in the field, and
 if they had done every thing in due time, agreeable to my
 advice, our affairs would not have been reduced to their
 present distressed situation, nor should we have been necessi-
 tated thus unprofitably to exhaust our time in a tedious
 Epistolary Correspondence — Don't imagine Sir that I am
 not desirous of giving my assistance towards securing my
 Country — If at this time when from a temerarious in-
 public conduct all my Country & Capital with a vast
 quantity of Effects which descended to me from my
 Ancestors have fallen into the hands of the Enemy and my
 Brother with his family have been taken Prisoners by him
 and treated with the greatest indignity — That such a time
 I say I do not assist to the utmost extent of my Power, at
 what other time shall I give my assistance? — What
 remains

remains in my power since my Friends took Tanjore from
 me. I left me burdened with a load of expenses - you are
 not ignorant of my situation & that all these innumerable
 troubles & difficulties have been occasioned by the divesting
 me of Tanjore. Had that Country been now in my hands - neither
 myself or the Company would have experienced such difficul-
 ties on account of Troops & money to carry on the public
 business. The Cavalry kept up by me which you saw with
 your own Eyes were so well disciplined & appointed that the
 Enemy would never have entertained a thought of invading this
 Country & even if he had, he would have speedily been
 chastised & expelled - My Creditors would never have been
 involved in such difficulties & distress as they are at present
 - My friends would not have been under the necessity
 of granting Bonds & Bills on Europe in the room of sending
 Investments - and the produce of five years of the Country
 of Tanjore (which amounts to a large Sum) would not have
 been thus unprofitably lost, without the least assistance
 or advantage being derived therefrom either to the Company
 myself or the public service - When Tanjore was wrested
 from me, I told my friends that they would not obtain
 any assistance from them when they might stand in
 need of it. you say "your Highness's present declaration
 in favor of the right of your Creditors to the Revenues of
 the Nellore & other Districts has encouraged them to
 persevere in their Claims & prevented the Committee from
 proceeding

"proceeding further in this business by the Grounds you
 "have given them to apprehend, that by so doing, they
 "might possibly involve the Company & themselves indivi-
 "dually in troublesome Law suits with the Creditors"
 — This I understand — It is a matter of much surprise
 to me, that my friend should write me as if he was un-
 acquainted with this matter — Did not my Creditors
 know their own Claim & Right to the Revenues of Nellore
 &c before I wrote my friend on that subject? — were not these
 Revenues assigned to them by Suncars long before this
 correspondence commenced between you and me relating
 thereto? — Whether I write you or not, they are certainly
 well acquainted with their own affairs & Claims — The
 Company's business will not be impeded by refraining to
 take away the Right of the Creditors who are British
 Subjects, living under your protection. In the room of
 assisting & recommending them to me — My friend wishes
 to take the Revenues of Nellore &c out of their hands —
 — My friend borrows Money from other Individuals, on
 Company's Bonds as was done by Mr Du Prie in the
 last War with Hyder Naik — why then cannot he in
 the same manner borrow from my Creditors? My
 actions plainly evince that in this important situation

I

I have afforded the Company every assistance in my power — What is not in my power to do, I cannot do, in this answer to your Letter I have explained fully my situation — It never was my intention to hurt in any way the Company's affairs, for I consider their good and my own to be inseparable — The Gentlemen of the Company are Men of Justice and I am persuaded that from motives of Justice, they will not deprive the Creditors of their right to the Revenues of Nellore &c. which I have assigned to them — What can I say more —

Copy of a Paragraph of a Letter from His Highness the Nabit's Governor Smith Dated 13th Rullisa
 1195 or 8th April 1781 —

The Military Stores and Provisions are to remain under the Charge of my Kildar of Nellore — after the admission of the Company's Troops in the same manner as they are at Nellore Trichinopoly & other Garrisons, and to be furnished out in the usual way when demanded — The former by indent, and Receipts to be taken for the latter, stating the market Price, that the amount may be accounted for to my new Consolidated Creditors

Creditors to whom the Country is indebted

Translation of a Paragraph of a Letter from his
Highness the Nabit to Governor Smith Dated 31st
May 1781 — On the 22^d Sunday at Avel (22^d May)
received your two letters dated the 11th & 18th of this month
on the subject of my Manager at Nellore not having
fulfilled my Orders in collecting provisions & of his having
ordered my People there to obey him only. — You at the
same time acquaint me that you have appointed Mr.
W^m Turing Company's Servant to take an account of
the Bullocks and Provisions collected at Nellore and
that he will take charge of them for the Detachment
commanded by Colonel Pearce — in your request I will
issue orders to my People for that purpose & also to supply
Mr. Turing with a sufficient sum that he may regularly
pay the Company's Troops stationed at Nellore.

The orders I am agreeable to your Wish
to my Soudagar in order to prevent all disputes in future
are as follows Vizt — First — He is to pay to Mr.
Turing 2500 Pag^{as} monthly for the Company's Troops
stationed in that Country for which he shall take
his

his Receipt and the Company shall account for it to my
 Creditors — Secondly he shall deliver to Mr. Turing
 who was sent lately by the Government of Madras to
 Nellore with my concurrence all the Provisions &c
 collected for the Bengal Troops for some time past by
 my Servants by my Order — The Prices of these Things
 shall be fixed & Mr. Turing's Receipt taken for the amount
 — An account of them will also be given to Mr. Turing
 that my Creditors may be credited for the amount by the
 Company —

Translation of a Paragraph of a Letter from
 His Highness the Nizam to Governor Smith dated 10th
 June 1781 or 17th Jumadesany 1195 —

The proposal which my Creditors from
 the consideration of the delicacy of the times and to
 forward the public service cheerfully made to give the
 Revenues of Nellore to the Company and to receive
 the Company's Bonds for it in the same manner as
 they are given by you to other Individuals of whom
 you borrow money was highly advantageous for they
 were very willing to accept of Bonds payable at any
 future

future period, of which I spoke to them, while to others you were obliged to give Bills on the Company in Europe for what money they advanced you — what Benefit you promised yourself from this measure I cannot conceive for the other was certainly more preferable

Extract of a Letter from His Highness the Nizam to Governor General Hastings Dated 13th June 1781

I ordered Provisions to be collected at Nellore for the Detachment under Col^l. Pearce and Pay of the Troops sent to that place by the Company to be paid from its revenues notwithstanding it is assigned to my Creditors — so that in fact the Revenue of that Country is also expended for the Company's service — I induced my Creditors to be heartily willing to give the Revenue of Nellore to the Company on Bond security payable at any future period — This was more advantageous than the measure adopted by the Gentlemen of this Government of borrowing money from Individuals & giving them Bills on England for my Creditors required only Bonds payable at any future time — What could induce the Gentlemen here to reject this offer I am at a loss to conceive

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Translation from his Highness the Nabob's Letter to
Governor Smith Dated 15th June 1781

Agreeable to your request I have now
written another Order to the Chougdar & Renters of Nellore
which is herin enclosed with a Copy for your information
— you may rest assured my Friend that any of my Servants
who may have been guilty of neglect in this business
(the collecting Bullocks & Provisions &c to the Bengal
Detachment) notwithstanding my repeated orders, and
altho they have wrote me that every thing was prepared
shall be publickly chastised.

Translation of a Paragraph of a Letter from his
Highness the Nabob to Mahomed Backer Canoe the
Chougdar & Setta Rann the Renters of Nellore Dated
22nd Jumady ul Sani 1195 Hegira or 15th June 1781

I wrote you before to pay three thousand
Star Pagodas monthly to the Company's Paymaster at
Nellore for the Pay of the Company's people and I now
write you again that you must pay four thousand Pa-
godas monthly to him & take his receipts for account of
my Creditors

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To Mr. George Moubray James Taylor & the other Creditors
of His Highness the Nabal of Arcot
Gentlemen

In Obedience to the Commands of the
Honble Governor General & Council I have the honor
to acknowledge their Receipt of your address of the 15th
February transmitted by the President & Select Committee
of Fort St George and its several Enclosures. My orders
are to reply to it by acquainting you that the Honble
the Governor General & Council willing & resolved to
make use of their Influence, as far as it extends, to
obtain to your several Claims the Satisfaction to which
they may be entitled, have for this purpose formed
such Arrangements as they hope & believe will effectually
promote this End, referring you for further particu-
- culars to the President and Select Committee of your
- Presidency

Fort William
Council Chamber
the 2^d April 1781

I have the honor to be
Gentlemen
Your Most Obedient
- humble Servant

C. Hay at Fort

Copy of a Paragraph of a Letter from his
Highness the Nalob to Lord Macartney - d
19 Sept: 1781

My friend and I will
jointly make such an arrangement of
Revenues of the Country as they may
not hereafter be subject to any inter-
ruption from mine or the Company's
Servants with Respect to my Creditors
as they at a time of distress assisted both
me and the Company by paying large
Sums of money into the Company's
Treasury and are still ready as they have
repeatedly represented both to your Lordship
and to the Government General of Bengal
to do every thing in their power for the good
of the public they are deserving of our
favour I feel for what they suffer and

I trust therefore their distresses will have a share
 in your most serious consideration when You
 are pleased to mention those Servants of the
 Company that You mean to employ in the
 Conduct of this business. I will likewise
 acquaint You with the names of my
 Servants that I propose to act here and
 in the several districts in conjunction
 with the Companies Servants.

Excerpt of a Paragraph of a Letter from his
 Highness the Nabob to Lord Macclesfield dated
 1st October 1781.

I am writing to You of what
 concerns my Country in the present situa-
 tion of War. It is likewise proper to show

at the same time extend my thoughts
to the arrangements necessary to take
place between us when the distur-
bances are quelled for the prosperity
of the Company's affairs, the good of
my People, and the satisfaction of
my Creditors, by establishing safety &
tranquillity for my Country in future
and by restoring Confidence and public
Credit which have been so totally destroy-
ed by the calamities we have experienced.
Here You will then agree with me in
the propriety of providing from the Crown
in general for the maintenance of a
body of Cavalry, the only means by which
this Country can be preserved from the

Invasion of our Enemies also for the Discharge
 of the Company's Expenses incurred on my
 Account and likewise for the Claims of my Creditors
 who lent me their money in times of distress
 and have suffered so much from my inability
 to pay them —

I am willing to engage in the
 Arrangements to be made between us to
 continue the collections of the Revenues for the
 purposes in the same manner as we are
 preparing to establish on the ground of the
 Bengal Treaty. The Collections to be applied
 in the first place to the payment of the Com-
 pany's Expenses incurred on my Account
 by such Acts as may be settled between
 us and likewise to my Creditors according
 to my agreement with them or according
 to the new arrangements that may be
 made

with them with their consent, in the next
 place towards the Expence of the Cavalry that
 are so necessary to be kept up for the safety
 of the Country and I will appoint a Committee
 that You may approve of to undertake the
 Payment of them, but the proportions of
 Revenues to be applied to each of those
 Objects must be ascertained with some
 precision as the Service and the Nature
 of the Collections will admit and in
 the business of my Creditors whom I
 am so anxious to satisfy it will be very
 much in the power of my friends to
 give me essential assistance by interposing
 their good Offices to give them relief and in
 the separate agreement I propose should be
 made between us I will give the Company

satisfaction out of my Revenues that are to be⁸⁵
collected by themselves for the Sums due to my
Creditors in the same manner as I propose to do
for the Expenses of the Company. An arrange-
ment of this sort, made by your wisdom would
be a great relief to my mind and probably
the only means of establishing both public
and private Credit and would be productive
of great advantage to the Company and
prosperity to my Country.

To the Right Hon^{ble} Lord Macartney
President & Governor &c of the Select Commis-
sion of Fort George
My Lord and Gentlemen

The Honourable the Governor General
and Council having by a Letter from their

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Secretary under date the second of April last
signified to us, and the other Creditors of his
Highness the Xalob, that they had formed such
arrangements, as they hoped and believed,
would effectually promote the end of obtaining
that satisfaction to which our several
Claims might be intitled. Referring Us
for particulars, to the President and Select
Committee of this Presidency. — In consequence
of such notification — and as Trustees, and
principal Creditors — We take the liberty of
requesting, that your Lordship will be pleased
to give directions for furnishing Us with the
necessary information on the Subject. We have
the honour to be with the greatest Respect

Fort George My Lord and Gentlemen
Oct. 13. 1781. Your most obedient servant
G^d. Mowbray
J^{ts}. Taylor

To George Moulray
and
James Taylor Esq^{rs}

Gentlemen

I am to acknowledge the
Receipt of your Letter of the 13th Instant
addressed to the Right Honble the Presidents
and Select Committee requesting they will
be pleased to give directions for furnishing
You with every necessary information
relative to the arrangements which the Governor
General and Council have formed (as
was signified to You by their Secretary)
for satisfying the Claims of the Creditors
of His Highness the Nabob, and for
the particulars of which you had been
referred to the President and Select Com-
mittee

Secret and

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- In consequence¹⁸ of which they have
directed me to enclose to You an extract
of a Paper entitled "Replies from the
Honble the Governor General and
Council to the requests of his Highness
the Nabob Wallaw Jah" which they
have received, respecting the Creditors
of his Highness the Nabob-

I have the honour to be

Fort George Gentlemen
16 Oct: 1781.

Your most obedient Servant

H. Baker

A Copy

19
Extract of the Replies from the Noble the
Governor General and Council to the Requests
of His Highness the Nabol Walla Jah.

Our advice is this, that a new
Adjustment be made of all the Nabols Debts
contracted with British Subjects without
any distinction of old debts, of those of a
more recent kind called his Consolidated
Debts or of others newly contracted, but not
yet brought to any public account, or
adjustment, that the Interest upon the
whole, and upon each debt shall be allowed
and added to the original debt to the 25th
November 1781. and thenceforward shall
cease; That from such debts as have been
transferred from the Original Proprietor
by purchase or otherwise a deduction
shall be made of 25 p Cent from the
whole

Account, and that the Remainder be
the Sum for which the State shall
be finally indebted; That the adjust-
ment being made in this manner,
the Sum adjudged to be respectively
due to each Creditor, shall be brought
to his Separate Credit; That the Com-
pany's Bonds with the usual Int
shall be granted to each who shall
be intitled to a share in the Sums
received, on account of the assigued
Revenues, in the proportion of
his respective debt, and in like
manner to the Creditors, for advances
made on the Security of the Public
Revenue for the Sums brought to their
Account, and that it shall be left
to

the Nabob with the Concurrence of the President and Council of Fort George and the sanction of the Governor General and Council, to appropriate such a portion of the Revenues after the conclusion of the War, or any period of it which shall admit of such an application of them; as an assignment for the annual Payment of the debt, untill the whole shall be discharged; That this Plan is recommended both to the Nabob, the President and Council of Fort George, and the Creditors and will be submitted to the Company in the first advice to them from this Presidency.

If an agreement should take place according to the abovementioned Plan it will be necessary both for the purpose of rendering it effectual, and for preventing the like distresses from the Nabob and Individuals
in

future; That the Nabol shall solemnly engage that he will never hereafter borrow money from the Company's Servants or any other British subjects. That the most public notice shall be given that no loans to the Nabol or Bonds accepted upon such loans shall be valid, or the Loans recoverable by any Influence or Interference of the Company or its Representatives, and the Governor General and Council will engage on their part for themselves, the Company, and their Representatives; That no authority of the Company or the Presidency of Fort George, shall be employed for the Recovery of any debts so contracted

A True Extract

J. Muddleston Junr

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To Charles Binney Esq^r
Secretary to his Highness the Nabob

Sir

As Trustees for his Highness the Nabob's New Consolidated Creditors we request of you to make application to his Highness for a copy of such parts of his Requests to the Honble the Governor General and Council as may relate to the New Consolidated Debt.

We also beg to be furnished with an account of what Money Cattle Grain Provisions &c^a the Honble Company's Troops have been supplied with, in consequence of his Highness the Nabob's repeated orders to his managers of Nellore &c^a Country.

We are
Sir

Yours
Geo^{rge}
Oct. 20. 1781.

Your most obedient servants
George Moubray
James Taylor

a copy

The Right Honble Lord Macartney KB Resident
 Governor &c^{rs} Gentlemen of the Select Committee
 of
 Fort George
 My Lord & Gentlemen

We have had the honour to receive
 the Extract You were pleased to send us from the Report
 of the Honble Governor General & Council to the request
 of his Highness the Nabal O'Chaud Jai, respecting
 the arrangement proposed for satisfying the Claims
 of His Highness's Creditors.

As Your Lordship &c^{rs} have not been
 pleased to Communicate to Us Your sentiments
 upon their Plan, nor to require our Concurrence in
 the arrangement proposed We mean not to trouble
 You at present by entering into the Particulars
 of it. But lest our silence should be construed
 into an acquiescence; We beg leave to represent to

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Lordship V^{ts} that the Proposition for striking off all
Interest upon the Publick Debts, would if submitted to by
the Creditors in the New Consolidated fund, entail
Ruin upon the greatest Part of them

We think it proper at the same time to
express the sincere disposition we feel to come into any plan
which may not so sensibly affect our Claims, and
even to make any reasonable sacrifice in our Power, for the
Purpose of obtaining that Sanction, Security and
support from the Comraung Government, which may
enable Us to recover by a certain, tho' slow progress the
Payment of our several Demands. With this View
We beg leave most earnestly to Solicit Your interference
& Support to Accomplish this Object

We humbly Request of Your
Lordship V^{ts} to take this matter into your early
Consideration and We flatter Ourselves in
Consequence of this Application, and of the
Representation which we have made in the Accompa
-nying

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Letter addressed to his Highness the Nabal, which
We intreat Your Lordship to Support by Your
Influence & good Offices with his Highness, that
such an arrangement will be formed for the Benefit
& Security of the Creditors as shall upon a General
Review of the Resources of the Carnatick appear
Just & Equitable

We have the Honour to be

My Lords & Gentlemen

Fort George
31 Oct: 1781.

our most obedient humble Servants

Geo. Newbrey for himself & Agents
Wm. Petrie
Jas. Ball
Jas. Taylor
Jm. Snow-Cumson, to the estates of James
Chas. Bromley for himself & in trust for
Chas. Bromley Junr.
Chas. Taylor
Chas. Jones
Ann Maria Savage
Ely. Frances Webb
Edw. J. In Holland

Geo. Moubray Atty. Col. J. Capper A. Cuthbert Atty. E. Monckton }
 Alasd. Brodie Atty. to Col. J. Campbell Col. Bonjour the Estate H. Monckton }
 Capt. Tho. Burrows }
 John Whitehill }
 James Taylor Esq. Mr. Adams }
 Morgan Williams }
 Wm. Jackson } Atty. N. Barlow
 } Secy. Administration }
 } to the Estate of the }
 } late Dawson Drake } Michael Bruce Doct. F. Rafter }
 } & J. Lewin }

George Moubray Trustees to the Estate of the late G. Masley }
 Alasd. Cuthbert } Chas. Dark }
 Jas. Call. Atty. to A. Macenzie John Douglas Atty. for }
 W. A. Dobbie for himself & 2 Crawford M. A. H. Cooley }
 trust for Lewis & Ann Macenzie } Capt. R. Parks. }

Jas. Taylor Atty. to G. Mackay George Burk }
 Geo. Savage } Moses de Castro }
 Geo. Maud } Pelting & de Fries }
 Jas. Johnstone Atty. J. Woolley }
 for themselves }
 } Atty. to Col. Ma }
 } Hunt Wm. Cooley }
 } de Castro }
 } C. Jones B.W. }
 } Salmon & Col }
 } R. Long }

Mr. Sykes
 An. de Souza for himself & }
 } tenants & for the Estate of }
 } J. Popham. for the trust of }
 } Johnson }
 Rungafilla Atty. to H. Brooke }
 J. Pennacuche Atty. A. Duncanson }
 F. Jourdan. Trust. J. S. Pughes }
 M. De Castro. for himself & }
 } R. Long }
 Kate Plummer: L. C. R.

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His Highness the Nalobh Naulau Jah,
Soubahdar of the Carnatic &c &c &c &c &c &c &c &c &c &c &c &c &c

May it Please Your Highness

We Your Highness's Creditors in the New Consolidated Fund, anxious and desirous of contributing as far as might be in Our Power, towards the Support of Government, during the present War, tendered in February last to the Honble the Gov. Gen^l & Council of Bengal the Receipt of such Revenues as have been assigned Us by Your Highness on lands being granted for the Amount of the Collections. By a Letter from their Secretary in answer under date the 2nd of April last We are informed "that the
" Honble the Governor General & Council willing
" Resolved to make use of their influence as far
" as it extends to obtain to our several Claims the
" satisfaction to which they may be entitled; have for
" this purpose formed such arrangements as they hope
" and believe will effectually promote this and referring Us

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Us for further particulars to the President and Select
Committee of this Presidency. In consequence of
such notification, Our Trustees applied to the Honble
the Select Committee, who furnished them with
an Extract of a Paper entitled "Replies from the
Honble the Governor General and Council to the
Requests of His Highness the Kalol Waula Jah"

These Replies contain certain propositions
or recommendations which are submitted to the
Consideration of your Highness, the President &
Council of this Place and your Creditors, and if
approved of to be carried into execution.

We shall cheerfully acquiesce in
any equitable arrangement which may be
brought forward for the liquidation of Your
Highness's Debts in General, but one part of the
proposed Plan "an entire suppression of all debts
from the 25 of November next" bears a peculiarly
hard upon Us that in acceding thereto, we
should

Should entail inevitable Ruin on ourselves and families

We will not trouble Your Highness with a Relation of our Sufferings from the various disappointments we have undergone.

But relying upon your Highnesses good Faith and Honour (We have not a doubt but that Your Highness) in conformity to the many Letters You have written to this Government, of your Intentions to do justice to Your Creditors will untill some new arrangement shall take place adhere strictly to the conditions specified in the New Consolidated Bonds, executed by your Highness in the most solemn manner, and sanctified with the Seal of the Carnatick.

We have the Honour to be with the utmost Respect
Fort St George
1781
May it please your Highness
Your Highness's most Obedient
and most humble Servants

G. Moubray for himself } Was atty to W. Irvine	R. Storey Atty for M. A. Boswell
F. Jourdan. Trustee for M. Irvine	James Call
Morris de Castro for himself & wife	James Taylor
Col. Long	John Snow Esq. to Comoro
Abell Plumer atty Col. Aylmer	Chas. Bromley for himself &
A. Guthbert atty E. Monckton	Chas. Bromley Junr.
Col. Bonjour & the Estate	Chas. Taylor
of Henry Moore	Chas. Jones
A. Brodie, atty. Executors	Anna Maria Savage
of the late Col. Brown	Elizabeth Frances Dolly
Col. Harper Major	E. J. Hollond
Giles. Capt. M. Bruce	G. Moubray atty Col. Gifford
Doctor F. Balfour Fleming	A. Brodie. atty for Lt
A. Brodie. atty. Executors	Col. Douglas Campbell
of the Estate of G. Pasley	Capt. Thos. Burrows
John Douglas atty	Mr. Whitehill
Quinton Crawford	Isa. Taylor atty R. Adams
H. A. M. Cosby Capt	Mr. Williams } atty & Barke of Estate
R. Parks	Mr. Jackson } Dawson & Drake
George Buck	
D. D. Bonneraup	

G. Moubray } Thanks for Mr. Chas. Dalk
A. Guthbert }

Sat. Gale atty to Andrew Majendie
W. A. Dobbyn himself & for
Lewis & }

Ann Majendie

Sat. Taylor atty Geo Mackey

George Savage

G. Maul in trust for

James Johnston atty }

James Wooley }

John Sykes

Antonio Souza himself }

Constituents & Estate of }

John Sprat

S. Popham in trust for
James Johnson }

Pungapulla atty H. Brooke

J. Penneviske atty for Mr. Jameson

Moses De Castro } themselves atty Col. Hunt

Pedro & De Anis } At Gordon & Jones B. Salmeron
Col. Rep. Long

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To
George Moubray and James Taylor Esqrs
Trustees for His Highness the Nabob's New
Consolidated Creditors

Gentlemen

I received your Letter of the 20th
October and agreeable to your desire I made
application to his Highness The Nabob
for an extract of such parts of his requests
to the Governor General and Council of
Bengall as relate to the New Consolidar-
-tion Debt, and it is now enclosed.

His Highness has been pleased
to order an account to be made out, of
what money & cattle Grain Provisions &c
the Company's Troops have been supplied
with from the Nellore &c &c
Countries

Countries which when finished shall be
transmitted to You

I am

Gentlemen

Madras

12 Nov^r 1781.

Your most obedient
humble servant

Charles Binny
Tory

a Copy

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Translation of part of the 8th & 10th Vols Requests of His
Highness the Nabob Waulau Jah To the Governor
General & Council of Bengal

8th

Had not my bad Destiny produced many
Obstacles there is no doubt but at this time I should
not have been indebted one single Pagoda to the Company
Of several Talooks of the Carnatick which are still
seized from our Enemy (The Collections are included
in the Accounts of the Company, but some Talooks
are assigned to my Creditors and some I have received
the Pishgah in advance for - Whatever is col-
lected from those Mahals let it be expended
for the Company but for the satisfaction
of my Creditors my Friends must be just, as
soon as the Enemy shall leave my Country
let the Collections of those Talooks be given
to my Creditors in order to pay off their
Principals according to my Engagements
with them.

10. The Talooks of Tanjore which is my right
at a considerable Expence conformable to the
Rules and Practices of Indostan took Possession of.
In this my Friends assisted me for which
I returned them thanks since that they have
at the sole instigation of self interested
People taken it from me by Force which
has brought great damage to me, my Sub-
jects & Creditors - To this time such is the
Situation - Numbers of my Creditors are
Englishmen which is not unknown to
You as I have repeatedly written to You
From that time my right has been
given up to a Pyott of mine but no
advantage has accrued from it to the
Company's concerns but on the contrary
he has connected himself with Hyder
Ali and the Marattas and has refused
to supply money and stores but keeps all
his money in Negapatnam a Dutch
Settlement

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If my Friends would act justly and give the Salook
to me great advantage would be derived; for the
Company and my affairs and the Views of
our Enemies would be counteracted otherwise
let the whole Collections of Tanjore be ap-
propriated to the Payment of the Carnatick
Army. my Public and private Debts and
the Expulsion of our Enemies. Tanjore
is a Salook of the Carnatick and let a
share of it be assigned to my Creditors that
they may be quieted and pacified in some
degree till my Friends in England shall
have done me Justice and let the Governor
General and Council conformably to their
Justice and Greatness write about this matter
which is my right - The Governor General
and Council have the administration of
the affairs in India if the enquiry into
this matter depends on the Gentlemen in
Europe it is for the General advantage
that

They should write about it

I am the Friend of the Company
the great weight of Debts the mortgaging
my Jewels and the Sale of them have brought
on me a distress which the Company never
meant to have come upon their old Friend

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11-

Besides the Expences of the
Company the Pay of my Troops the
native Bankers my Creditors and the
Hindoo and Mulselman Securities I am
indebted about 70 Lacks of Pagodas to
European Creditors both old and new and
People living under the protection of
the Company. When I reflect on the
Payment of such large Sums I am plunged
into a Sea of Distress. Except from the
assistance of my Friends I can see no
release from this heavy load that having

escaped

from such anarchy I might apply myself to the cultivation of the Country and the protection of the Rayotts.

I therefore beg your advice and Sentiments on this Point which I request You to give in such a manner as no Injury may arise to my Concerns & Reputation no Detriment to my Creditors and no loss to the Company

The above Copies of the Gov. Gen. L^{ts}. & the mode recommended in them, for the liquidation of the Nabob's debts, - fell so peculiarly hard on the Creditors, - that the Nabob on representation being made to him, - came to the Resolution of finally settling his debt with an Allowance of 6% & Annuum Interest: - Nor did his Creditors, - refuse their acquiescence. They knew his distresses; - consequently, - his inability to discharge what he was owing, should he be kept to the terms of his Bonds granted in 1777, - & which ran at 12% & Annuum.

His Minister, Siraj Adan (our Balander Defected)

deputed to Bengal on his Master's affairs in 1782, - delivered himself
by Order, - in the following manner to the Governor General.

Extract of Afsan Khan's Memorial

1st July 1782.

" In the Request of the Nabob Wala Jan
" to you Sir, last Year, he begged you would favour him with your
" advice relative to the discharge of his private debts. You thought
" it expedient to recommend a suppression of all growing Interest.
" This the Nabob endeavoured to reconcile to his Creditors. But the
" inevitable ruin it would have involved them in, urged them to
" represent the peculiar hardship of their Situation. They beseeched
" him not to plunge them into ~~an~~ inextricable difficulties. They
" declared themselves willing, & instantly complied with your
" recommendation, that the Revenues of the Country assigned to
" them, should go to the Company for the Services of the War,
" though the Bonds you directed they should receive, were, &
" are still denied them by Lord Macartney. They are willing
" to yield any thing short of ruin to themselves & families. But
" the suppression of Interest, they avowed would render their
" Bonds ever after, unsalable. Their whole fortunes were at
" stake

state, beside the fortunes of many out on the spot. - And they
only looked for a prospect of Relief, - the immediate Reality
They cheerfully surrendered to the Company. Conscious of the
truth of the Representations of his Creditors, - well knowing what
they had suffered, - what it was certain would follow, if
Interest, should be with-held altogether, - & sensible that
his honor, solemnly & repeatedly pledged to his Creditors, was
in the strongest manner engaged, the Nabob yielded to their
Solicitations, & has consented (which they are perfectly
satisfied with) to allow them an Interest on their respective
Debts from the 25th November 1781 of 6 $\frac{1}{2}$ % per annum. By
this means in the course of time, the Creditors may hope some
Relief. Their Bonds may be transferable. And if they are
received into the Treasury of Madras, by the Gov^r. Council (as
the Nabob wishes the Company to be the Channel of payment
to his Creditors, as above proposed) the property of so numerous
a body of British Subjects, may be made sure, & productive
to them. This measure, I trust you will approve, & give
strict orders about.

This

This same Minister again gave in the November of 1782 following, -
 in what he denominated his last & most solemn Appeal to the justice
 and honor of the Governor General & Council of Bengal, most strongly
 marks the Nabob's sentiments by saying "I am directed by my
 " Master, by this Memorial, to protest most solemnly against the
 " proceedings of the Government of Madras, which proceedings
 " must render the Company their Employers, responsible to his
 " numerous creditors, for their just & legal claims upon
 " him as Nabob of the Carnatic".

The grounds on which this Protest
 was made, - was the Madras Presidency's collection of the Revenues
 of the Creditors assigned Countries; - & the not granting the
 Creditors Bonds conformably to the Treaty of Fort William; -
 altho the collection took place, in consequence of the Treaty, - &
 the Bonds were of course to be the Result of such a measure.

The Governor General & Council of
 Bengal, - called upon in this manner by the Nabob, - & by a thorough
 conviction of the distresses of the Creditors, (distresses heightened by their
 immediately having yielded up the Revenues of the Countries assigned
 to them by the Nabob, that the Publick might benefit, though they
 individually

individually were to suffer) - ^{119.}deliberated with an attention, to all
circumstances on the subject; - & at length concluded an Agreement with
the Minister of the Carnatic, - which at the same time, that it guarded
against inconvenience to the Company, - at once met with the wishes
of the Nabob, & the Concurrence of the Creditors. It was as follows.

Engagement executed by Siraj ud-Daulah Nawab on the
part of the Nabob Walah Jaw.

" The Honble the Governor General &
" Council of Bengal, having Released his Highness the Nawab Walah
" Jaw &c. &c. from the performance of the Mode prescribed
" in the 8th Article of the Treaty or Agreement of Fort William of
" 2^d April 1781, for the Collection & appropriation of the Revenues
" of the Carnatic, during the continuance of the War in the
" Carnatic, & having in lieu thereof, accepted of certain propositions
" made by me, his Vakil Mutuluck or Special Minister, whom
" he has invested with full powers, I do by these Presents, in his
" Name, & on his behalf, bind the Nawab Walah Jaw to the
" punctual observance of the following Stipulations.

First -

That he shall advance to the
Company

Company, for the Charges of the War, five sixths of the Collections
 of the Carnatic, with the Reservation stipulated by the Original
 Treaty or Agreement concluded with the Governor General & Council
 of Bengal on the 2^d April 1781, of one sixth for his own necessary
 Expenses: Further, that he shall furnish Supplies of
 ready Money, Grain, & Cattle, to the same Amount & quantity,
 as those which have been received from his Country, during
 the Administration of Lord Macartney, with an Addition of one
 third of each, for the same given time, & that he shall give
 some Security for the Money.

Secondly - "That from the day on which the
 Enemy shall evacuate the Carnatic, the Nawab shall regularly
 pay by Stipulated Warrants to the Company, twelve Lacks of Rupees
 & Annam, seven lacks to be appropriated to the Company's Use,
 until their debt shall be discharged, & four Lacks to be by them
 paid to his Creditors in Account, agreeably to the List of Bonds
 which shall be lodged with the Gov. General & Council of Bengal,
 & with the President & Council of Fort St. George.

Thirdly, & lastly, - "I do hereby stipulate & agree in the
 same

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I, ^{James}, on the behalf of the Nawab Wala Law, that in case
of failure, in any of the stipulations thus made by me, the
Nawab Wala Law, shall submit the collections & appropriation
of the Revenues of the Carnatic, for the purposes of discharging
his public & his private Debt, to such Mode or Modes of
Arrangement, as the Court of Directors, or the Governor General
Council of Bengal, shall direct.

Dated in Calcutta 9th Suffer 1197 of the
Hijra, or 13th January 1783.

Read & delivered in
presence of the Honble the
Gov^r. General Council
the 13th January 1783.

Seal of
Lyd Afgan
Cawn.

(Signed) J. P. David
Secy.

The Letter of the Governor General
Council of Bengal, to the President Council of Fort George dated
13th January 1783, - formally testify their entire satisfaction, and
their acceptance of this Agreement. It annuls the deed of
Assignment

Assignment, given by the habits to Lord Macartney the 2^d December 1781, together with the Treaty of Fort William of 2 April 1781, - of which that Assignment was a branch, - & positively enjoins the Government of Madras to "call upon the habits for the due performance of the Conditions of this Engagement."

The Governor General's Letter to the
Habit at the same time ^{was} still more explicit. After recognizing
the House, it was having serious difficulties and great
concerns with regard to the future.

A subsequent letter from the Governor General to the Kabot, - again takes up the subject. After acquainting the Kabot with his having advised him of the new agreement made & executed with Sigid Apam Lawa, he continues

"I have likewise advised you, of the Orders which were at the same time given to the Right Honble the President & Select Committee of House of Commons, to restore the Assignment of the 1st December 1781, the condition of which had been violated, with the entire Sovereignty of your Country, & all the powers exercised in the Collection of its Revenues, under the

"Assignment,

" assignment, to you." 17

" By your letter, & those which I have
" lately received from the President & Select Committee, I am sorry
" to find, that those orders have not yet been carried into
" execution, nor the Company's part of the agreement fulfilled.
" But, I observe with pleasure, your complete ratification of the
" agreement, with the expressions repeated in your different
" letters, of your most steady determination, to fulfil every
" condition of it on your part, as well as the leading means
" which you have properly taken, for obtaining the restitution
" of the assignment, & the change of your own Government
" & Collections."

" Whether may have been our feelings
" at this delay, for we can regard it only in that light,
" we have submitted to repeat our orders in more
" peremptory terms, to the President & Select Committee, and
" have written similar orders, to the President of Council
" at large, whom province it properly, & legally is, by
" the

"the Constitution of their Government, as expressed in the Company's Orders, to transact the business of the Revenues." - The Governor General then repeats to the Nabob, the directions, verbatim, - as given to the Presidency of North B. George by the Supreme Council, whereby the deed of assignment of 2^d December 1781 was annulled, - & the agreement of Asiam Cawn of 13th January 1783, was accepted.

The foregoing Stat of facts, shews how the Consolidation of 1777 took place. How it was investigated - & what was the Result. It shews likewise, the distress, - Union (perhaps would not be too harsh a word) - which a failure in engagements on the part of the Nabob, brought upon his Creditors. It manifests expressly, - his eager & constant desire to fall upon some Method, - whereby they might be extricated from their difficulties. It exhibits the favorable Opinion of the several Governments of Madras, & of the Governor General & Council, ^{of Bengal,} - of the Nature & extent of the debt. And it finally points out, the only way left to be of advantage either to the Nabob or the Company. With such solid proof before them, - the

whole too, the result of long, & disinterested investigation on
 the spot, - the Creditors have abundantly come to learn that
 the Agreement of Affairs has solemnly concluded & acceded to,
 with ^{notable} ~~harshness~~ let aside, - & a new System adopted; - or that
 the Company, with little add to their Misery & distresses, and by
 the Renunciation of an Equitable & ratified engagement, put
 the day of their belief to a far distant period. Many are
 the Sufferers of the harbor Creditors, - who would not in fact
 were it not for the hand of friendship, & of Charity. Widows
 & Orphans, - are deprived of their daily bread, by the Company's
 with-holding their approbation to the decision of the Gov. & Co.
 Council of Bengal. And yet that Decision, - neither involves
 the Company, - nor the harbor of the Committee. Could the
 names of the many concerned in the Bonds of the harbor -
 be known, - the opinion of the debt being unjustly
 contracted, would quickly vanish. But, the property
 is then, being divided & subdivided, - such a knowledge, is
 impossible to be acquired. But, let the ostensible names
 be looked to, - & let the Judgment then declare, whether
 last

could even be supposed capable of drawing from the Bank - Bonds, Notes, or any thing else. The fact is, the Creditors that their Money, - or passed their own Bonds for the payment of sums owing by the Bank (as was the case in some respects in the Cavalry loan, - the Gentlemen then concerned, being under the necessity of giving their Notes, when their funds of ready Money failed through the want of punctuality in the Bank, - & which they have ever since, been endeavouring to discharge, though indeed but slowly). The Channels into which that Money went, - were very different from theirs. The Company themselves, - were not the least benefited by the Money furnished the Bank by Individuals. Mr. Berkeley, Mr. Monckton, - Capt. Taylor, Savage Hale, - paid sum into their Treasury, - which are now & are now included in the Consolidated fund. The case of the British Creditors of the Bank of the Comptroller, - is indeed a serious one. Unwarranted suspicion, - has raised up many harmless, & elegant claims. Could it come to their own feelings, - they could cuttishly experience the misery, of having inevitable calamity

calamity sported with, - & turn the distant prospect of subsistence
 torn from them, by blind, & misguided prejudice. Subjects of England,
 & Resident in it, - cannot ^{shrink} ~~unavoidable~~ ^{happen}, - wish, to crush every
 principle of honor & good faith, - whilst they themselves, are
 basking in liberty, - & in that most precious species of it, - the
 unassailable security of their ^{own} fortunes & property. The creditors,
 & let it not be deemed presumption in them, - look for Justice, &
 for the ratification of the arrangement made for them, by the
 Governor General & Council of Bengal with signed African Laws -
 The Company are to decide their fate.

